



Posted: Friday, January 30, 2015

NOTICE AND CALL OF A REGULAR MEETING OF THE TRINIDAD CITY COUNCIL

The Trinidad City Council will hold a special meeting on
MONDAY, FEBRUARY 02, 2015 at 6:00 PM

COUNCIL WILL ADJOURN TO CLOSED SESSION AT THE CONCLUSION OF THE OPEN MEETING

- I. **CALL TO ORDER**
- II. **PLEDGE OF ALLEGIANCE**
- III. **APPROVAL OF AGENDA**
- IV. **APPROVAL OF MINUTES – *No minutes to approve***
- V. **COUNCIL MEMBER REPORTS, COMMITTEE ASSIGNMENTS**
- VI. **CITY MANAGER & STAFF REPORTS**
- VII. **PROCLAMATIONS & ANNOUNCEMENTS**
 1. Engineer's Week, February 22nd through 28th, 2015
- VIII. **ITEMS FROM THE FLOOR**

(Three (3) minute limit per Speaker unless Council approves request for extended time.)
- IX. **CONSENT AGENDA**
 1. Financial Status Reports for December 2014.
 2. MOU Between the City and the BLM as Cooperating Agencies Regarding the Management Planning Process for the Trinidad Head Light Station Property.
- X. **DISCUSSION/ACTION AGENDA ITEMS**
 1. Discussion/Decision regarding Appointment of Dave Winnett as Councilmember.
 2. Discussion/Decision regarding Councilmember Committee Assignments.
 3. Consider Acceptance of 2013-2014 Financial Report and Audit, and Consider Authorizing the City Manager to Execute the 2014-2015 Engagement Letter.
 4. Presentation/Report on Mid-Year Budget Status.
 5. Update/Discussion regarding Vacation Dwelling Unit Ordinance
 6. Discussion/Decision regarding consideration of sponsorship donation to upcoming Storm Gathering Sea Kayak Symposium Event.
- XI. **REQUEST FOR FUTURE AGENDA ITEMS**
- XII. **RECEIVE PUBLIC COMMENT ON CLOSED SESSION ITEMS**
- XIII. **ADJOURN TO CLOSED SESSION**
 1. Real Property Negotiations Pursuant to Government Code Section 54956.8
Agency Negotiators, City Manager and City Attorney. Topic: Price and terms for property owned by Bob Crittenden adjacent to the Trinidad Water Treatment Plant, APNs: 515-121-18 and 515-121-34
 2. Discussion regarding Active Litigation in the case of Tsurai Ancestral Society vs City of Trinidad; Pursuant to Government Code section 54956.9(b) and/or section 54956.95.
 3. Discussion regarding threatened litigation related to the Wagner Street Trail per Government Code section 54956.9(b);
- XIV. **RECONVENE OPEN SESSION AND PROVIDE REPORT OF CLOSED SESSION ACTIONS**
- XV. **ADJOURNMENT**



PROCLAMATION

SUPPORTING DOCUMENTATION FOLLOWS WITH: 2 PAGES

1. Engineer's Week, February 22nd through 28th, 2015



Gabriel Adams
City of Trinidad
409 Trinity Street
P.O.Box390
Trinidad, CA 95570

Subject: Engineer's Week Proclamation; February 18th, 2015 City Council Meeting

On behalf of the North Coast Branch of the American Society of Civil Engineers (ASCE), we ask that you consider approving the attached proclamation. Engineer's Week is nationally recognized annual event to raise the public awareness of engineers and our impact on society.

The North Coast Branch of ASCE represents engineers in Humboldt and Del Norte Counties. We ask the City of Trinidad Council Members to join other local government bodies in proclaiming the week of February 22nd to 28th as Engineer's Week.

If you have any questions, do not hesitate to call me at (707) 599-8623.

Sincerely,

A handwritten signature in cursive script that reads 'Jordan King'.

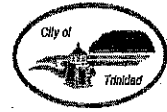
Jordan King
Multi Media Coordinator, North Coast Branch of ASCE

Enclosure (1)

TRINIDAD CITY HALL

P.O. Box 390
409 Trinity Street
Trinidad, CA 95570
(707) 677-0223

Julie Fulkerson, Mayor
Gabriel Adams, City Clerk



PROCLAMATION OF ENGINEER'S WEEK
FEBRUARY 22nd through 28th, 2014

WHEREAS, America's Engineers transform ideas into reality, solving problems using science and technology to produce services and systems to better serve the needs of society; and,

WHEREAS, Engineers serving the City of Trinidad, the County, the State and the Country, work to design and construct the following types of projects:

- | | |
|----------------|------------------------------|
| ▪ Airports | ▪ Bridges |
| ▪ Roads | ▪ Buildings |
| ▪ Railroads | ▪ Water Systems |
| ▪ Harbors | ▪ Flood Control Facilities |
| ▪ Parks | ▪ Wastewater Treatment |
| ▪ Subdivisions | ▪ Seismic Safety Projects |
| ▪ Surveys | ▪ Environmental Enhancements |

WHEREAS, Engineers strive for quality, economy and the betterment of life of our community; and,

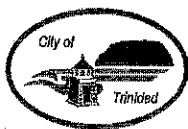
WHEREAS, throughout the Nation the week of February 22nd through the 28th 2015 is being recognized as National Engineer's Week, coinciding with George Washington's birthday, our nation's first engineer,

NOW, THEREFORE, BE IT RESOLVED that the City of Trinidad in recognition of the contribution of Engineers to society and in an effort to promote the interest of the youth in the community in math, science and engineering, does hereby declare the week of February 22nd, 2015 as Engineer's Week in the City of Trinidad.

Attest:

Gabriel Adams
Trinidad City Clerk

Julie Fulkerson
Mayor, City of Trinidad



CONSENT AGENDA 1

SUPPORTING DOCUMENTATION FOLLOWS WITH: 8 PAGES

1. Financial Status Reports for December 2014.

City of Trinidad
Statement of Revenues and Expenditures - GF Revenue
From 12/1/2014 Through 12/31/2014

		<u>Current Month</u>	<u>Year to Date</u>	<u>Total Budget - Original</u>	<u>% of Budge</u>
Revenue					
41010	PROPERTY TAX - SECURED	0.00	0.00	90,035.00	100.00)%
41020	PROPERTY TAX - UNSECURED	0.00	0.00	3,015.00	100.00)%
41040	PROPERTY TAX-PRIOR UNSECURED	0.00	0.00	50.00	100.00)%
41050	PROPERTY TAX - CURRENT SUPPL	0.00	0.00	485.00	100.00)%
41060	PROPERTY TAX-PRIOR SUPPL	0.00	0.00	200.00	100.00)%
41071	MOTOR VEHICLES	0.00	0.00	1,240.00	100.00)%
41100	PROPERTY TAX - INTEREST +	0.00	0.00	20.00	100.00)%
41110	PROPERTY TAX EXEMPTION	0.00	0.00	667.00	100.00)%
41130	PUBLIC SAFETY 1/2 CENT	0.00	0.00	1,640.00	100.00)%
41140	PROPERTY TAX - DOCUMENTARY RE	0.00	0.00	1,450.00	100.00)%
41190	PROPERTY TAX ADMINISTRATION FE	0.00	0.00	(2,373.00)	100.00)%
41200	LAFCO Charge	0.00	0.00	(380.00)	100.00)%
41210	IN-LIEU SALES & USE TAX	0.00	0.00	27,100.00	100.00)%
41220	IN LIEU VLF	0.00	0.00	28,070.00	100.00)%
42000	SALES & USE TAX	21,386.26	70,849.38	181,600.00	(60.99)%
43000	TRANSIENT LODGING TAX	0.00	68,690.63	126,000.00	(45.48)%
47310	VEHICLE LICENSE COLLECTION	0.00	150.75	0.00	0.00)%
53010	COPY MACHINE FEE	0.00	0.00	15.00	100.00)%
53020	INTEREST INCOME	92.82	720.98	13,000.00	(94.45)%
53090	OTHER MISCELLANEOUS INCOME	0.00	3,042.83	800.00	280.35)%
54020	PLANNER- APPLICATION PROCESSIN	2,301.48	11,746.73	5,000.00	134.93)%
54050	BLDG.INS-PAPPLICATION PROCESSI	3,340.85	8,578.83	7,000.00	22.55)%
54100	ANIMAL LICENSE FEES	0.00	15.00	300.00	(95.00)%
54150	BUSINESS LICENSE TAX	45.00	10,647.00	9,900.00	7.55)%
54300	ENCROACHMENT PERMIT FEES	0.00	100.00	400.00	(75.00)%
56400	RENT - VERIZON	3,987.34	13,947.94	22,735.00	(38.65)%
56500	RENT - HARBOR LEASE	0.00	0.00	5,125.00	100.00)% ✓
56550	RENT - PG&E	0.00	0.00	8,750.00	100.00)%
56650	RENT - SUDDENLINK	0.00	2,521.14	4,825.00	(47.75)%
56700	RENT - TOWN HALL	975.00	2,885.00	7,000.00	(58.79)%
59999	INTERDEPARTMENTAL TRANSFER INC	0.00	0.00	65,000.00	100.00)%
	Total Revenue	<u>32,128.75</u>	<u>193,896.21</u>	<u>608,669.00</u>	<u>(68.14)%</u>

City of Trinidad
Statement of Revenues and Expenditures - GF Expense
201 - GFAdmin
From 12/1/2014 Through 12/31/2014

		Current Month	Year to Date	Total Budget - Original	% of Budget
Expense					
60900	HONORARIUMS	250.00	1,500.00	2,500.00	40.00%
61000	EMPLOYEE GROSS WAGE	7,835.64	46,901.80	111,770.00	58.04%
61470	FRINGE BENEFITS	46.16	282.84	600.00	52.86%
65100	DEFERRED RETIREMENT	299.20	1,976.95	5,082.00	61.10%
65200	MEDICAL INSURANCE AND EXPENSE	308.81	4,327.77	10,068.00	57.01%
65300	WORKMEN'S COMP INSURANCE	0.00	589.96	4,471.00	86.80%
65500	EMPLOYEE MILEAGE REIMBURSEMENT	22.00	251.00	750.00	66.53%
65600	PAYROLL TAX	625.30	3,830.19	8,939.00	57.15%
65800	Grant Payroll Allocation	(553.11)	(2,661.32)	(2,500.00)	(6.45)%
68090	CRIME BOND	0.00	700.00	455.00	(53.85)%
68200	INSURANCE - LIABILITY	0.00	6,355.05	8,830.00	28.03%
68300	PROPERTY & CASUALTY	0.00	3,555.50	4,280.00	16.93%
71110	ATTORNEY-ADMINISTRATIVE TASKS	0.00	0.00	20,000.00	100.00%
71130	ATTORNEY-LITIGATION	0.00	0.00	10,000.00	100.00%
71210	CITY ENGINEER-ADMIN. TASKS	0.00	0.00	2,000.00	100.00%
71310	CITY PLANNER-ADMIN. TASKS	2,270.75	23,800.42	45,000.00	47.11%
71410	BLDG INSPECTOR-ADMIN TASKS	600.00	2,869.28	8,000.00	64.13%
71510	ACCOUNTANT-ADMIN TASKS	769.47	7,051.42	11,050.00	36.19%
71620	AUDITOR-FINANCIAL REPORTS	0.00	0.00	12,285.00	100.00%
72000	CHAMBER OF COMMERCE	0.00	14,228.52	15,045.00	5.43%
74110	GRANT EXPENSE	37.90	37.90	0.00	0.00%
74200	REIMBURSED GRANT ADMIN EXP	0.00	0.00	(700.00)	100.00%
75110	FINANCIAL ADVISOR/TECH SUPPORT	30.00	3,092.50	5,700.00	45.75%
75160	LIBRARY RENT & LOCAL CONTRIB.	0.00	0.00	500.00	100.00%
75170	RENT	650.00	3,900.00	8,190.00	52.38%
75180	UTILITIES	766.54	4,006.67	10,250.00	60.91%
75190	DUES & MEMBERSHIP	73.73	73.73	270.00	72.69%
75200	MUNICIPAL/UPDATE EXPENSE	0.00	3,294.00	5,700.00	42.21%
75220	OFFICE SUPPLIES & EXPENSE	312.05	1,753.22	6,000.00	70.78%
75240	BANK CHARGES	0.00	37.21	200.00	81.39%
75280	TRAINING / EDUCATION	0.00	395.00	0.00	0.00%
75300	CONTRACTED SERVICES	0.00	0.00	8,134.00	100.00%
75990	MISCELLANEOUS EXPENSE	0.00	663.25	100.00	(563.25)%
76110	TELEPHONE	142.61	871.79	1,550.00	43.76%
76130	CABLE & INTERNET SERVICE	253.19	1,589.24	4,900.00	67.57%
76150	TRAVEL	0.00	563.20	1,500.00	62.45%
78120	STREET LIGHTING	95.81	95.81	0.00	0.00%
78170	SECURITY SYSTEM	0.00	258.00	1,590.00	83.77%
78190	MATERIALS, SUPPLIES & EQUIPMEN	0.00	0.00	1,500.00	100.00%
	Total Expense	14,836.05	136,190.90	334,009.00	59.23%

City of Trinidad
Statement of Revenues and Expenditures - GF Expense
301 - Police
From 12/1/2014 Through 12/31/2014

		<u>Current Month</u>	<u>Year to Date</u>	<u>Total Budget - Original</u>	<u>% of Budget</u>
	Expense				
61000	EMPLOYEE GROSS WAGE	256.00	1,650.40	3,327.00	50.39%
65100	DEFERRED RETIREMENT	0.00	32.29	0.00	0.00%
65300	WORKMEN'S COMP INSURANCE	0.00	13.72	133.00	89.68%
65600	PAYROLL TAX	19.58	149.46	255.00	41.39%
75170	RENT	650.00	3,900.00	8,190.00	52.38%
75180	UTILITIES	147.48	956.42	2,485.00	61.51%
75220	OFFICE SUPPLIES & EXPENSE	0.00	0.00	400.00	100.00%
75300	CONTRACTED SERVICES	0.00	4,320.00	88,085.00	95.10%
75350	ANIMAL CONTROL	113.00	678.00	1,925.00	64.78%
75990	MISCELLANEOUS EXPENSE	0.00	0.00	1,000.00	100.00%
76110	TELEPHONE	78.06	531.17	1,630.00	67.41%
	Total Expense	<u>1,264.12</u>	<u>12,231.46</u>	<u>107,430.00</u>	<u>88.61%</u>

City of Trinidad
Statement of Revenues and Expenditures - GF Expense
401 - Fire
From 12/1/2014 Through 12/31/2014

		<u>Current Month</u>	<u>Year to Date</u>	<u>Total Budget - Original</u>	<u>% of Budget</u>
	Expense				
60900	HONORARIUMS	150.00	900.00	1,800.00	50.00%
75180	UTILITIES	120.30	258.04	1,150.00	77.56%
75190	DUES & MEMBERSHIP	0.00	0.00	35.00	100.00%
75280	TRAINING / EDUCATION	0.00	195.00	400.00	51.25%
75300	CONTRACTED SERVICES	0.00	0.00	25,160.00	100.00%
76110	TELEPHONE	19.18	117.70	300.00	60.77%
76140	RADIO & DISPATCH	0.00	0.00	450.00	100.00%
78120	STREET LIGHTING	36.13	36.13	0.00	0.00%
78140	VEHICLE FUEL & OIL	14.14	178.69	350.00	48.95%
78150	VEHICLE REPAIRS	139.54	211.68	2,500.00	91.53%
78160	BUILDING REPAIRS & MAINTENANCE	0.00	7,820.08	10,500.00	25.52%
78190	MATERIALS, SUPPLIES & EQUIPMEN	15.95	798.58	2,500.00	68.06%
78200	EQUIPMENT REPAIRS & MAINTENANC	0.00	100.54	400.00	74.86%
	Total Expense	<u>495.24</u>	<u>10,616.44</u>	<u>45,545.00</u>	<u>76.69%</u>

City of Trinidad
Statement of Revenues and Expenditures - GF Expense
501 - PW (Public Works)
From 12/1/2014 Through 12/31/2014

		<u>Current Month</u>	<u>Year to Date</u>	<u>Total Budget - Original</u>	<u>% of Budget</u>
Expense					
61000	EMPLOYEE GROSS WAGE	3,252.87	19,484.22	40,126.00	51.44%
61250	OVERTIME	0.00	0.00	500.00	100.00%
65100	DEFERRED RETIREMENT	327.58	1,909.01	4,296.00	55.56%
65200	MEDICAL INSURANCE AND EXPENSE	713.98	9,213.01	28,435.00	67.60%
65300	WORKMEN'S COMP INSURANCE	0.00	219.52	1,704.00	87.12%
65600	PAYROLL TAX	274.26	1,595.51	3,587.00	55.52%
65800	Grant Payroll Allocation	(159.05)	(2,554.50)	(500.00)	(410.90)%
71210	CITY ENGINEER-ADMIN. TASKS	0.00	2,178.50	4,800.00	54.61%
71250	CITY ENGINEER - PROJECT FEES	0.00	0.00	6,000.00	100.00%
75180	UTILITIES	0.00	121.48	0.00	0.00%
75240	BANK CHARGES	0.00	15.00	0.00	0.00%
75300	CONTRACTED SERVICES	311.15	311.15	41,000.00	99.24%
75370	UNIFORMS/PERSONAL EQUIP.	0.00	0.00	450.00	100.00%
76110	TELEPHONE	0.00	56.70	0.00	0.00%
76160	LICENSES & FEES -	0.00	460.00	0.00	0.00%
78100	STREET MAINT/REPAIR/SANITATION	0.00	2,556.84	5,000.00	48.86%
78120	STREET LIGHTING	357.76	2,145.68	4,000.00	46.36%
78130	TRAIL MAINTENANCE	0.00	18.84	2,500.00	99.25%
78140	VEHICLE FUEL & OIL	366.49	2,092.91	4,700.00	55.47%
78150	VEHICLE REPAIRS	0.00	25.08	2,500.00	99.00%
78160	BUILDING REPAIRS & MAINTENANCE	595.80	28,714.28	45,000.00	36.19%
78190	MATERIALS, SUPPLIES & EQUIPMEN	1,809.09	2,889.15	6,500.00	55.55%
78200	EQUIPMENT REPAIRS & MAINTENANC	0.00	0.00	500.00	100.00%
	Total Expense	<u>7,849.93</u>	<u>71,452.38</u>	<u>201,098.00</u>	<u>64.47%</u>

City of Trinidad
Statement of Revenues and Expenditures - Monthly Reports
601 - Water
From 12/1/2014 Through 12/31/2014

		Current Period Actual	Current Year Actual	Total Budget - Original	% of Budget
Revenue					
53020	INTEREST INCOME	0.00	0.00	4,000.00	(100.00)%
53090	OTHER MISCELLANEOUS INCOME	610.00	4,919.06	2,500.00	96.76%
57100	WATER SALES	27,883.83	157,192.53	305,000.00	(48.46)%
57300	NEW WATER HOOK UPS	0.00	0.00	3,000.00	(100.00)%
57500	WATER A/R PENALTIES	1,535.58	4,591.47	2,000.00	129.57%
	Total Revenue	30,029.41	166,703.06	316,500.00	(47.33)%
Expense					
61000	EMPLOYEE GROSS WAGE	6,192.69	38,026.97	79,032.00	51.88%
61250	OVERTIME	0.00	0.00	2,000.00	100.00%
65100	DEFERRED RETIREMENT	696.36	4,239.88	9,081.00	53.31%
65200	MEDICAL INSURANCE AND EXPENSE	1,648.89	15,782.75	42,045.00	62.46%
65300	WORKMEN'S COMP INSURANCE	0.00	425.32	3,229.00	86.83%
65600	PAYROLL TAX	527.20	3,206.81	6,871.00	53.33%
65800	Grant Payroll Allocation	(249.48)	(5,332.66)	(1,000.00)	(433.27)%
68200	INSURANCE - LIABILITY	0.00	3,421.95	4,755.00	28.03%
68300	PROPERTY & CASUALTY	0.00	1,914.50	2,305.00	16.94%
71110	ATTORNEY-ADMINISTRATIVE TASKS	0.00	0.00	500.00	100.00%
71210	CITY ENGINEER-ADMIN. TASKS	0.00	0.00	4,000.00	100.00%
71510	ACCOUNTANT-ADMIN TASKS	414.33	3,215.38	5,950.00	45.96%
71620	AUDITOR-FINANCIAL REPORTS	0.00	0.00	6,615.00	100.00%
72100	BAD DEBTS	0.00	0.00	350.00	100.00%
75180	UTILITIES	657.21	5,625.65	15,835.00	64.47%
75190	DUES & MEMBERSHIP	1,890.00	2,073.50	700.00	(196.21)%
75200	MUNICIPAL/UPDATE EXPENSE	0.00	73.24	575.00	87.26%
75220	OFFICE SUPPLIES & EXPENSE	136.00	1,790.20	3,500.00	48.85%
75230	INTEREST EXPENSE	0.00	6.46	0.00	0.00%
75240	BANK CHARGES	0.00	0.00	150.00	100.00%
75280	TRAINING / EDUCATION	160.00	160.00	500.00	68.00%
75300	CONTRACTED SERVICES	0.00	0.00	7,000.00	100.00%
75990	MISCELLANEOUS EXPENSE	0.00	0.00	250.00	100.00%
76110	TELEPHONE	95.29	510.94	1,000.00	48.91%
76130	CABLE & INTERNET SERVICE	61.95	306.95	620.00	50.49%
76160	LICENSES & FEES	0.00	471.59	2,475.00	80.95%
78120	STREET LIGHTING	0.00	1,576.32	0.00	0.00%
78140	VEHICLE FUEL & OIL	81.30	621.05	2,500.00	75.16%
78150	VEHICLE REPAIRS	0.00	271.48	2,000.00	86.43%
78160	BUILDING REPAIRS & MAINTENANCE	0.00	0.00	1,200.00	100.00%
78170	SECURITY SYSTEM	0.00	147.00	500.00	70.60%
78190	MATERIALS, SUPPLIES & EQUIPMEN	0.00	603.92	6,000.00	89.93%
78200	EQUIPMENT REPAIRS & MAINTENANC	0.00	0.00	1,000.00	100.00%
79100	WATER LAB FEES	345.00	875.00	4,500.00	80.56%
79120	WATER PLANT CHEMICALS	0.00	3,350.22	12,000.00	72.08%
79130	WATER LINE HOOK-UPS	0.00	0.00	3,000.00	100.00%
79150	WATER LINE REPAIR	0.00	5,164.65	20,000.00	74.18%
79160	WATER PLANT REPAIR	0.00	0.00	10,000.00	100.00%
90000	Capital Reserves	0.00	0.00	15,000.00	100.00%
	Total Expense	12,656.74	88,529.07	276,038.00	67.93%
	Net Income	17,372.67	78,173.99	40,462.00	93.20%

City of Trinidad
Statement of Revenues and Expenditures - Monthly Reports
701 - Cemetery
From 12/1/2014 Through 12/31/2014

		Current Period Actual	Current Year Actual	Total Budget - Original	% of Budget
	Revenue				
53020	INTEREST INCOME	0.00	0.00	900.00	(100.00)%
58100	CEMETERY PLOT SALES	175.00	4,778.33	7,500.00	(36.29)%
	Total Revenue	175.00	4,778.33	8,400.00	(43.12)%
	Expense				
61000	EMPLOYEE GROSS WAGE	1,008.51	6,075.87	12,210.00	50.24%
65100	DEFERRED RETIREMENT	121.04	713.06	1,585.00	55.01%
65200	MEDICAL INSURANCE AND EXPENSE	223.15	3,133.42	9,336.00	66.44%
65300	WORKMEN'S COMP INSURANCE	0.00	68.60	528.00	87.01%
65600	PAYROLL TAX	86.42	509.11	1,132.00	55.03%
65800	Grant Payroll Allocation	(21.75)	(598.57)	(50.00)	(1,097.14)%
71210	CITY ENGINEER-ADMIN. TASKS	0.00	1,009.50	0.00	0.00%
75180	UTILITIES	42.08	294.19	700.00	57.97%
78190	MATERIALS, SUPPLIES & EQUIPMEN	623.00	2,928.60	1,000.00	(192.86)%
	Total Expense	2,082.45	14,133.78	26,441.00	46.55%
	Net Income	(1,907.45)	(9,355.45)	(18,041.00)	(48.14)%

City of Trinidad
Statement of Revenues and Expenditures - Monthly Reports
204 - IWM
From 12/1/2014 Through 12/31/2014

		Current Period Actual	Current Year Actual	Total Budget - Original	% of Budget
	Revenue				
47650	RECYCLING REVENUE	2,405.11	3,778.12	5,640.00	(33.01)%
56150	FRANCHISE FEES	2,581.36	4,411.87	7,000.00	(36.97)%
	Total Revenue	4,986.47	8,189.99	12,640.00	(35.21)%
	Expense				
61000	EMPLOYEE GROSS WAGE	795.14	4,806.60	9,716.00	50.53%
65100	DEFERRED RETIREMENT	95.42	559.05	1,251.00	55.31%
65200	MEDICAL INSURANCE AND EXPENSE	166.82	2,486.44	7,302.00	65.95%
65300	WORKMEN'S COMP INSURANCE	0.00	54.88	344.00	84.05%
65600	PAYROLL TAX	68.12	399.12	767.00	47.96%
65800	Grant Payroll Allocation	(17.65)	(440.12)	0.00	0.00%
75120	WASTE RECYCLING PICKUP/DISPOSA	0.00	0.00	500.00	100.00%
75250	TRANSIT SERVICES- HTA	0.00	4,468.00	0.00	0.00%
78100	STREET MAINT/REPAIR/SANITATION	0.00	0.00	500.00	100.00%
78190	MATERIALS, SUPPLIES & EQUIPMEN	0.00	122.78	1,000.00	87.72%
	Total Expense	1,107.85	12,456.75	21,380.00	41.74%
	Net Income	3,878.62	(4,266.76)	(8,740.00)	(51.18)%



CONSENT AGENDA 2

SUPPORTING DOCUMENTATION FOLLOWS WITH: 8 PAGES

2. MOU Between the City and the BLM as Cooperating Agencies Regarding the Management Planning Process for the Trinidad Head Light Station Property.

CONSENT AGENDA ITEM

Monday, February 02, 2015

Item: MOU Between the City and the BLM as Cooperating Agencies Regarding the Management Planning Process for the Trinidad Head Light Station Property

Background: BLM will be developing a Management Plan for the Trinidad Head Light Station Property. This MOU acknowledges the City as an important partner (a 'Cooperating Agency', in the MOU language), and thereby allows the City to work closely with BLM in the development of that Management Plan. The Yurok Tribe and the Trinidad Rancheria are considering similar MOU's with BLM to participate in the process. Staff recommends authorizing the Mayor to sign the MOU.

Attachments: Final Draft MOU

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT
ARCATA FIELD OFFICE
AND
CITY OF TRINIDAD
AS A COOPERATING AGENCY
REGARDING THE MANAGEMENT PLANNING PROCESS
FOR THE TRINIDAD LIGHT STATION

I. Introduction

The Bureau of Land Management (BLM) Arcata Field Office is undertaking the development of a management plan for the Trinidad Light Station. The Trinidad Light Station sits 180 feet above the Pacific Ocean on Trinidad Head. While the Light Station is still under operation by the U.S. Coast Guard the site came under the management of the BLM Arcata Field Office in 2014. The BLM needs to develop a plan to manage the Light Station and surrounding 12.97 acres of land to provide for public access, maintenance, and protection of natural and cultural resources. The Trinidad Light Station is located within the City of Trinidad, and the City is the land owner and manager for most of Trinidad Head, including the lands immediately adjacent to the Trinidad Light Station property.

This Memorandum of Understanding (MOU) establishes a cooperating agency relationship between the BLM and the City of Trinidad ("Cooperator") for the purpose of preparing the management plan and associated Environmental Assessment (EA). The BLM is the lead federal agency for the development of the EA. The BLM acknowledges the Cooperator has special knowledge and responsibility as the local municipal authority for the area. This MOU describes the responsibilities and procedures agreed to by the BLM as the manager of the Light Station and the City of Trinidad as a Cooperating Agency (collectively "the Parties" to this MOU).

The cooperating agency relationship established through this MOU shall be governed by all applicable statutes regulations, and policies, including the National Environmental Policy Act (NEPA) regulations (in particular, 40 CFR 1401.6 and 1508.5). The Cooperator is eligible to become a Cooperating Agency for the duration of the planning and NEPA process. Cooperating

Agency status provides an opportunity for the BLM, the City of Trinidad, and other Cooperating Agencies to work together to benefit the planning and NEPA effort.

II. Purpose

The purposes of this MOU are:

- A. To designate the City of Trinidad as a Cooperating Agency in the planning and NEPA process.
- B. To provide a framework for cooperation and coordination between the BLM and the Cooperator that will ensure successful completion of the planning and NEPA process in a timely and efficient manner.
- C. To recognize that BLM is the lead agency with responsibility for the completion of the NEPA process and issuance of the Decision Record.
- D. To describe the respective responsibilities, authorities, and expertise of each of the parties in the planning and NEPA process.

III. Authorities for the MOU

- A. The authorities for the BLM to enter into and engage in the activities described within this MOU include, but are not limited to:
 - 1. National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)
 - 2. Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.)
 - 3. Regulations implementing the above authorities:
 - 4. Council on Environmental Quality regulations (40 CFRE 1501 et seq.)
 - 5. Bureau of Land Management planning regulations (43 CFR 1601 et seq.)
- B. The authority of the City of Trinidad to enter into this MOU include but are not limited to:
 - 1. National Environmental Policy ACT of 1969 (42 U.S.C. 4321 et seq.)

IV. Roles and Responsibilities

A. Responsibilities of the Bureau of Land Management

As the lead agency, the BLM retains final responsibility for the content of all planning and NEPA documents, which includes the Decision Record. The BLM's responsibilities include determining the purpose and need for the proposed action, selecting alternatives for analysis, identifying the effects of the proposed alternatives, selecting the preferred alternative, and determining appropriate minimization or mitigation measures. In meeting these responsibilities, the BLM will follow all applicable statutory and regulatory requirements.

To the fullest extent consistent with its responsibilities as lead agency, the BLM will consider the comments, recommendations, information, and/or analysis provided by the Cooperator giving particular attention to those topics on which the Cooperator is acknowledged to have special expertise.

To the fullest extent practicable, the BLM will provide the Cooperator with copies of documents pertinent to the planning and NEPA process.

B. Responsibilities of the City of Trinidad

The City of Trinidad is a Cooperating Agency in this planning and NEPA process and is recognized to have special expertise as well as local municipal authority relating to the Trinidad Head Light Station and surrounding area, including but not limited to:

- Knowledge of and responsibility for the Trinidad Bay General Plan, Trinidad Local Coastal Program, and the related Municipal Code and City Ordinances as they relate to Trinidad Head, access to it, and associated Coastal Resources;
- The recently developed (2013) Trinidad Head Study Committee Final Report, developed by local citizens and representatives from various interested parties;
- Knowledge of and responsibility for the Trinidad Head Vegetation Management Guidelines;
- The significance of Trinidad Head to the local economy, as part of the scenic coastal views and public access opportunities that draw visitors to our community; and
- The responsibility and authority as a local government to represent the community of Trinidad in the planning process for the Trinidad Head Light Station

The Cooperator will provide information, comments, and information to the BLM regarding elements of the plan and NEPA process, as appropriate. The Cooperator's activities may include providing guidance on public involvement strategies, identifying data needs, suggesting management actions to resolve issues, identifying effects of alternatives, suggesting minimization, or mitigation measures, and providing written comments on working drafts of the NEPA documents.

C. Responsibilities of the Parties

1. The Parties agree to participate in the development of the plan and NEPA process in good faith and make all reasonable efforts to resolve disagreements.
2. The Parties agree to make reasonable efforts to complete the plan and NEPA process in a timely manner and hold to agreed upon deadlines and milestones.
3. Each party agrees to fund its own expenses associated with the development of this plan and NEPA process.

V. Other Provisions

A. Authorities are Not Altered

Nothing in this MOU alters, limits, or supersedes the authorities and responsibilities of any Party on any matter within their respective jurisdictions. Nothing in this MOU shall require any of the Parties to perform beyond its respective authority.

B. Financial Obligations

Nothing in this MOU shall require the Parties to assume any obligation or expend any sum in excess of authorization and appropriations available.

C. Immunity and Defenses Retained

Each Party retains all immunities and defenses provided by law with respect to any action based on or occurring as a result of this MOU.

D. Conflict of Interest

The Parties agree not to utilize any individual or organization for the purposes of plan development or the NEPA process, or Cooperator representation, including officials, employees, or third party contractors, having a financial interest in the outcome of the planning and NEPA process. Any questions regarding potential conflicts should be referred to BLM headquarters or BLM Ethics Counselors for resolution.

E. Documenting Disagreement of Inconsistency

BLM shall give all Parties a reasonable amount of time (generally 30 days) to review and comment on all interim, draft, and final products before release to the public, except as circumstances may require pursuant to FOIA. Interim, draft, and final products shall not be publicly distributed without prior consultation with the Cooperator. BLM will provide a reconciliation document consolidating all review comments received from Cooperating Agencies.

The BLM, as the lead agency, will attempt to reconcile disagreements with the Cooperator in an objective way. Where the BLM and one or more Cooperators disagree on the substantive elements of the plan or NEPA document, and these disagreements cannot be resolved, the BLM will include a summary of the Cooperator's views in the NEPA document. If necessary, the BLM will also describe any substantial inconsistencies between its plan objectives or actions and the objectives of local or tribal land use plans or policies.

F. Management of Information

The Cooperator(s) acknowledge that all supporting materials and draft documents may become part of the administrative record and may be subject to the requirements of the Freedom of Information Act (FOIA) and other federal statutes. The Cooperator agrees not to release these materials to individuals or entities other than the Parties to this MOU. A Party will not publish

culturally sensitive data over the timely, written objection of the Party that developed or supplied the data. The Parties shall acknowledge each other as a source when the other Parties' data or resources are used in the preparation of reports, publications, presentations, or maps.

G. Conflict Resolution

The Parties agree to make reasonable efforts to resolve procedural or substantive conflicts, and may agree to an Alternative Dispute Resolution process. The Parties acknowledge that the BLM retains final responsibility for the decisions identified in the NEPA process and Decision Record.

VI. Party Representatives

Each Party will designate representatives to ensure coordination between the Cooperator and the BLM during the planning and NEPA process. Each Party may change representatives and must make good faith efforts to coordinate information among representatives to avoid any unnecessary delays in the process. The BLM shall provide on a timely basis all names and contact information for the representatives of any other Cooperating Agency for the development of a management plan for the Trinidad Light Station.

1. Bureau of Land Management

Chris Heppe, Assistant Field Manager
BLM Arcata Field Office
1695 Heindon Road
Arcata, CA 95521
(707) 825-2351
cheppe@blm.gov

2. Cher-Ae Heights Indian Community of the Trinidad Rancheria

Jacque Hostler-Carmesin, CEO
Trinidad Rancheria
P.O. Box 630
Trinidad, CA 95570
(707) 677-0261 Ext. 2736
jhostler@trinidadrancheria.com

3. City of Trinidad

Daniel Berman, City Manager
City of Trinidad
P.O. Box 390
Trinidad, CA 95570
(707) 677-3876
citymanager@trinidad.ca.gov

4. Yurok Tribe

Robert McConnell, Tribal Historic Preservation Officer
Yurok Tribe
P.O. Box 1027
Klamath, CA 95548
(530) 625-4130
rmcconnell@yuroktribe.nsn.us

VII. Administration of the MOU

A. Approval

This MOU becomes effective upon signature by the authorized officials of the BLM and the Cooperator.

B. Amendment

This MOU may be amended through written agreement of all signatories.

C. Termination

If not terminated earlier, this MOU will end when the BLM Field Manager approves the Decision Record for the Trinidad Light Station management plan.

Any Party may end its participation in this MOU by providing 30-days written notice to the other Party. Upon receiving notice of a Party's intention to terminate, the Parties will meet promptly to discuss the reasons for the notice and to try to resolve any differences. BLM shall inform the Cooperator if it receives notice from another Cooperating Agency's intent to end participation in this MOU.

VIII. Signatures

The parties hereto have executed this Memorandum of Understanding on the dates shown below.

City of Trinidad

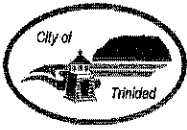
Julie Fulkerson, Mayor

Date

Bureau of Land Management

Molly Brown, Arcata Field Manager

Date



DISCUSSION AGENDA 1

SUPPORTING DOCUMENTATION FOLLOWS WITH: 2 PAGES

1. Discussion/Decision regarding Appointment of Dave Winnett as Councilmember.

DISCUSSION AGENDA ITEM

Monday, February 02, 2015

Item: Discussion/Decision regarding Appointment of Dave Winnett as Councilmember

The City has received one letter of interest to fulfill the vacant seat on the City Council from Trinidad resident Dave Winnett (attached).

As a Trinidad resident and registered voter inside the city, Mr. Winnett is eligible to serve the remaining term through December 2018.

If appointed, the City Clerk will be prepared to administer the Oath of Office so the candidate may take the position immediately participate in the meeting.

Attachments: Letter of Interest.

January, 28, 2015

Gabe Adams
City Clerk
Trinidad, CA

RECEIVED JAN 28 2015

Mr. Adams,

I would like to be considered as a candidate to fill the vacant seat on the Trinidad City Council. Since moving to Trinidad my wife Sharon and I have enjoyed the charm and warmth of the community and it's citizens. We feel that we should become involved with the town's activities. As you know we moved here from Illinois where we both enjoyed careers in education, and after moving to Humboldt County we planted 10 acres of wine grapes and established a winery in Willow Creek. Now that our business has matured and we actually have time to turn around, I feel that I have time to devote to the responsibilities of a city council member.

Thank you for your consideration and everything else I know you do for our community.

Sincerely,



David Winnett



DISCUSSION AGENDA 2

SUPPORTING DOCUMENTATION FOLLOWS WITH: 5 PAGES

2. Discussion/Decision regarding Councilmember Committee Assignments.

DISCUSSION AGENDA ITEM

Monday, February 02, 2015

Item: Discussion/Decision regarding Councilmember Committee Assignments

Councilmembers serve as city representatives to numerous committees and agencies within the county. The attached chart identifies the Committees and Boards that the city participates in by designating representatives to. At any time the Council may choose to renegotiate the positions, but it is customary to assign them as soon as possible after each regular election.

Recommended Action: Appoint/Distribute committee assignments as needed.

Attachments: Committee Assignment Charts (2)

Committee Assignments: *Updated July 15, 2013*

COMMITTEE	REP/ALTERNATE
Humboldt Waste Management Authority HWMA	Miller
Humboldt County Association of Governments HCAOG	West / Miller
Tsurai Management Plan Implementation Committee	Miller, West Alt. Baker
Redwood Regional Economic Development Corp. RREDC	Fulkerson / Baker
HTA Humboldt Transit Authority HTA	Fulkerson / West
Redwood Coast Energy Authority RCEA	Davies / Miller
BLM Gateway Committee	Miller
Humboldt County Convention & Visitors Bureau HCCVB	Mike Morgan
Humboldt County Hazard Mitigation Committee	Miller / Fulkerson
Library, Museum, Park Committee	Baker / West
Office of Emergency Services OES	Mike Morgan
Indian Gaming Benefit Committee	Miller / West
Humboldt Mayors Committee	Fulkerson
Local Law Enforcement Committee	Baker

Committee appointments for Trinidad City Council members – Updated July 15, 2013

Committee & Function	Mtg. Time	Mtg. Place	members	Current appointee	Comments
Humboldt Waste Mngmt. Authority: Oversees county waste collection & disposal (hazardous, solid & food waste)	6:30 2 nd Thursday	Eureka City Hall	Arcata, Blue Lake, Eureka, Ferndale, Rio Dell, County	Miller	Decisions have a big county-wide financial impact.
Humboldt County Association of Governments. (HCAOG): County-wide transportation planning and programming	3 rd Thurs. 4:00 pm	HCAOG Conference Room	Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, Trinidad, County	West Alternate: Miller	Big packet, many important county-wide decisions. Reps are usually Mayor and Mayor Pro-Tem)
Tsurai Management Plan Implementation Committee: Implement Management Plan	As needed or requested by members.	Trinidad	City, Tsurai Ancestral Society, Yurok Tribe, Coastal Conservancy	Miller, West Alternate: Baker	This committee was negotiating for property transfer & is currently inactive. May change focus to improvements on TSA site per Management Plan
Redwood Regional Economic Development Corp. (RREDC): Administers loans and grants to improve business & job opportunities in Humboldt county	6:30 4th Monday	Eureka	Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, Trinidad, Humboldt County, McKinleyville, Orick, Redway, Willow Creek, Hoopa, Orleans, Manila, Humboldt Bay Municipal Water District, Humboldt Harbor Commission, College of the Redwoods	Fulkerson / Baker	
Humboldt Transit Authority: Oversees county-wide transit services Trinidad to Garberville	9AM 3 rd Wed.	Eureka	Trinidad, Arcata, Eureka, Fortuna, Rio Dell, County	Fulkerson / West	
Redwood Coast Energy Authority Board (RCEA): Develop & implement sustainable energy projects in Humboldt county	3:00 3 rd Monday	633 3 rd Street, Eureka	Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, Trinidad, County, Humboldt Bay Municipal Water District	Davies / Miller	

Committee appointments for Trinidad City Council members – Updated July 15, 2013

BLM Gateway Project: protect the diversity of life on coastline and offshore rocks by education and community cooperation	Quarterly or as needed	Trinidad or Arcata	Trinidad, Native Plants, Trinidad Library, HSU Marine Lab, BLM, Trinidad Land Trust, Yurok Tribe, Tsurai Ancestral Society, State Parks and Fish and Game, Rancheria	Miller	
Humboldt County Convention and Visitors Bureau (HCCVB): Promotes Tourism in Humboldt County	Bimonthly Lunch meeting	Varies	Governments and businesses throughout Humboldt County	Morgan	
Humboldt County Hazard Mitigation Committee: County-wide effort to reduce risk and plan for efficient recovery from natural disasters.	2X year or as needed	varies	26 planning partners include local governments, fire departments, hospitals, etc.	Miller Alternate: Fulkerson	
Joint Committee for Park/Museum/Library: Plan, implement and coordinate Park, Museum & Library projects.	Inactive	Trinidad	City, Museum, Library, Land Trust Contractor	Baker Alternate: West	
Office of Emergency Services (OES): prepares for natural; disasters, coordinating efforts of first responders.	Bi-monthly, 1 PM	Eureka	County, cities, service districts, medical providers, Ham radio, HSU, weather service, Fish & Game, etc.	Morgan	1 hour meeting
Indian Gaming Funds: Distribute funds to local communities and projects to offset casino impacts	Inactive: no money			Miller / West	This committee meets when the state sends Gaming money. This year, no money.
Humboldt Mayors Committee: Recommends candidates for appointments	As needed	Eureka City Hall	Arcata, Eureka, Blue Lake, Rio Dell, Fortuna, Ferndale, Trinidad	Fulkerson	

Committee appointments for Trinidad City Council members – Updated July 15, 2013

Law Enforcement Committee	As Needed	Trinidad	Law enforcement discussions/Neighborhood Organizing	Baker
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DISCUSSION AGENDA 3

SUPPORTING DOCUMENTATION FOLLOWS WITH: 36 PAGES

3. Consider Acceptance of 2013-2014 Financial Report and Audit, and Consider Authorizing the City Manager to Execute the 2014-2015 Engagement Letter.

DISCUSSION/ACTION AGENDA

Date: February 2, 2015

Item: Presentation and Acceptance of the FY 2013-2014 Annual Financial Report and Audit, and Authorization to Engage Professional Services for next year's audit.

Background: The firm of Marcello and Company, Certified Public Accountants, has performed the fiscal and management audit for the City of Trinidad for the past several years. The principal in the firm, Ralph Marcello, CPA, has personally performed these audits and is keenly aware of the City's practices and finances.

The 2014 Financial Report finds that the city conformed with generally accepted accounting principles, the financial statements are a fair and accurate representation of our financial position and activities over the prior year, and no audit findings or exceptions were identified. This is a clean audit report.

The City's General Fund and Water Fund both improved in their net positions during the course of this audit year. The General Fund improved by approximately \$116,000, with expenses about 10% under budget, and revenues almost 15% over budget. As recently reported County-wide, 2013-14 was a banner year for visitors to our County, and for Trinidad our Transient Occupancy Tax was significantly higher than budgeted, totaling \$130,000, almost 40% over the \$93,000 budgeted. \$10,000 was transferred to capital reserves for the Fire Department. Last year's surplus helped the City address some needed maintenance in the current year's budget, including the re-roofing and building addition for the fire department, and the re-roofing of Town Hall.

The Water Fund improved by \$88,000 due largely to lower than expected expenses. Significant state grant funding helped offset personnel expenses (some staff time was eligible to charge to the grant), as well as water plant equipment and repair expenses. A significant amount is budgeted for water line repairs and maintenance each year, and actual expenses were luckily low in this line item last year, although this can change quickly with a few major leaks. Water sale revenue was very close to budgeted expectations. A \$15,000 transfer to water capital reserves was made in the audit year as was planned for in the adopted budget.

The **Cemetery Fund** broke even for the year.

Staff is working with Mr. Marcello to see if he can be available via telephone connection during the Council's discussion of this item. This is to save the travel costs that would be associated with an on-site visit. Should there be sufficient concerns and/or questions to warrant a personal appearance before the Council, staff will make necessary arrangements for that to occur at a future Council meeting.

Mr. Marcello is again willing to perform the audit for FY2014-15, and his proposed engagement letter is included for your consideration. Due to Mr. Marcello's knowledge of the city's financial practices and methods, he requires minimal support from the city's limited staff to support his audit efforts. His fees are unchanged from last year, and continue to include a 10% fee reduction based on his familiarity with our finances, and clean audit results to date.

Recommended Action:

1. Accept the FY2013-14 Annual Financial Report and Audit; and
2. Authorize the City Manager to execute an Audit Engagement Letter to perform the FY2013-14 audit for \$16,200, prepare the draft financials for \$1,800 and reimburse for out of pocket costs at \$900.

Attachment: Copies of the Annual Audit were provided to each member of the Council, and it is available for public review in Town Hall.

MARCELLO & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

2701 Cottage Way, Suite 30 / Sacramento, California 95825 / 916.979.9079

June 30, 2015

City Hall - Trinidad
Attention: City Manager
409 Trinity Street
Trinidad, California 95570

RE: 2015 Audit Engagement Letter

We are pleased to confirm our understanding of the services we are to provide the City of Trinidad for the year ended June 30, 2015. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the City of Trinidad as of and for the year ended June 30, 2015. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to accompany the City of Trinidad's basic financial statements. As part of our engagement, we will apply certain limited procedures to the City of Trinidad's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budget to Actual Comparisons – Major Funds

In the event you do not prepare the MD&A, we will modify our auditor's opinion to include a paragraph stating the following:

"The City of Trinidad has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements."

Supplementary information other than RSI also accompanies the City of Trinidad's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and will provide an opinion on it in relation to the basic financial statements:

1. Combining financial statements of non-major governmental funds

Audit Objective

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinion. If our opinion on the financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trinidad, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving:

- (1) Management,
- (2) Employees who have significant roles in internal control, and
- (3) Others where the fraud or illegal acts could have a material effect on the financial statements.

Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or such other documents.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may

bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we may perform tests of the City of Trinidad's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We expect to begin our audit in October or November 2015 and to issue the draft report approximately 45 days later or when all issues have been resolved. Ralph Marcello is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses is estimated as follows:

Financial Audit of the City	\$	18,000
Less continuing client adjustment		(1,800)
Draft the annual financial statement report		2,000
Less continuing client adjustment		(200)
Out-of-pocket costs		900
Total	\$	<u>18,900</u>

The above fee is based upon the following prerequisites:

1. The complete and fully adjusted year-end Trial Balance should be prepared and delivered to the auditor on the first day of fieldwork. "Fully adjusted" refers to the recording of fiscal year end receivables, payables, depreciation and capital asset adjustments.
2. Upon our arrival to perform field work, all requested documents, schedules, bank statements and invoices shall be retrieved from their files and ready for us at 9am on the morning of the first day of field work.

3. Minutes and Resolutions of the city council meetings from June 2014 to the most recent meeting should be mailed or emailed to us as soon as possible, no later than two weeks before fieldwork starts (preferably in WORD).

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. Such unexpected circumstances might include, for example, a greater than expected risk of material misstatement due to fraud. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Financial Statement Report and Timing

- Field work is tentatively scheduled to begin in October or November 2015.
- Preparation of the *final bound* audited financial statement reports of the City will be the responsibility of the auditor. (10 reports)
- A compliance audit of federal grant award money, also known as a *Single Audit* is not anticipated nor included with this engagement. (Single Audit fee is \$7,500 for one major program, additional major programs are \$2,500 each)
- Preparation of Management's Discussion and Analysis (MD&A) and other Required Supplementary Information (RSI) will be the responsibility of the City. The City did not prepare the MD&A in the prior year.
- Preparation of the State Controller Office reports (annual financial transactions report, and street report) will be the responsibility of the City, due electronically on October 20 each year.

We appreciate the opportunity to be of service to the City of Trinidad and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Marcello & Company

Marcello & Company, CPAs

RESPONSE:

This letter correctly sets forth the understanding of the City of Trinidad.

By _____

Title _____

Date _____

CITY OF TRINIDAD

California

Annual Financial Report June 30, 2014

City Council

**Julie Fulkerson
Dwight Miller
Jim Baker
Tom Davies
Jack West**

**Mayor
Mayor Pro-Tem
Member
Member
Member**

Appointed Officials

***City Manager*
Karen Suiker**

***City Clerk*
Gabriel Adams**

CITY OF TRINIDAD

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MARCELLO & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

2701 Cottage Way, Suite 30 / Sacramento, California 95825

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
Members of the City Council
City of Trinidad, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trinidad, California, as of and for the year ended June 30, 2014, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based upon our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Trinidad, as of June 30, 2014, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Honorable Mayor
Members of the City Council
City of Trinidad, California

Other Matters

Report on the Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted *management's discussion and analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Trinidad's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Marcello & Company

Certified Public Accountants
Sacramento, California
November 20, 2014

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF TRINIDAD
Government-wide Financial Statements
Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 1,248,375	\$ 841,460	\$ 2,089,835
Receivables	713,492	316,927	1,030,419
Capital assets not being depreciated	594,383	815,000	1,409,383
Capital assets, net of depreciation	1,117,226	268,355	1,385,581
Total assets	<u>3,673,476</u>	<u>2,241,742</u>	<u>5,915,218</u>
LIABILITIES			
Payables	451,675	233,799	685,474
Cash overdrafts	178,329	-	178,329
Customer deposits	-	2,980	2,980
Total liabilities	<u>630,004</u>	<u>236,779</u>	<u>866,783</u>
NET POSITION			
Invested in capital assets, net	1,711,609	1,083,355	2,794,964
Restricted	40,291	-	40,291
Unrestricted	1,291,572	921,608	2,213,180
Total net position	<u>\$ 3,043,472</u>	<u>\$ 2,004,963</u>	<u>\$ 5,048,435</u>

The accompanying notes to financial statements are an integral part of this financial statement

CITY OF TRINIDAD
Government-wide Financial Statements
Statement of Activities
Year Ended June 30, 2014

Functions/Programs	Expenditures	Program Revenue			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 286,036	\$ 203,038	\$ -	\$ -	\$ (82,998)	\$ -	\$ (82,998)
Public safety	207,055	100,000	-	-	(107,055)		(107,055)
Public works	133,064	-	-	-	(133,064)		(133,064)
Capital improvement projects	1,750,373	-	1,173,189	903,395	326,211		326,211
Depreciation	29,951	-	-	-	(29,951)		(29,951)
Total governmental activities	2,406,479	303,038	1,173,189	903,395	(26,857)		(26,857)
Business-type Activities							
Water utility	228,871	286,901	-	819,617		\$ 877,647	877,647
Cemetery	12,845	12,620	-	-		(225)	(225)
Total business-type activities	241,716	299,521	-	819,617		877,422	877,422
Total primary government	\$ 2,648,195	\$ 602,559	\$ 1,173,189	\$ 1,723,012			850,565
General Revenue							
Sales tax					201,827	-	201,827
Property & other taxes					93,709	-	93,709
Transient lodging tax					130,700	-	130,700
Licenses & permits					24,908	-	24,908
Use of property					45,758	-	45,758
Investment earnings					5,611	1,998	7,609
Other revenue					76,321	5,322	81,643
Totals					578,834	7,320	586,154
Change in Net Position					551,977	884,742	1,436,719
Net Position							
Beginning					2,445,822	1,126,288	3,572,110
Prior period adjustment for capital assets					45,673	(6,067)	39,606
End of year					\$ 3,043,472	\$ 2,004,963	\$ 5,048,435

The accompanying notes to financial statements are an integral part of this financial statement

FUND FINANCIAL STATEMENTS

CITY OF TRINIDAD
Balance Sheet
Governmental Funds
June 30, 2014

	ASSETS					LIABILITIES		
	General Fund	Azalea & Pacific St. Project	ASBS Stormwater Project	Luffenholtz Creek Sediment	Other Governmental Funds	Total Governmental Funds		
Cash and investments	\$ 1,207,484	\$ -	\$ -	\$ -	\$ 40,891	\$ 1,248,375		
Receivables	104,458	-	333,849	219,796	55,389	713,492		
Total assets	<u>\$ 1,311,942</u>	<u>\$ -</u>	<u>\$ 333,849</u>	<u>\$ 219,796</u>	<u>\$ 96,280</u>	<u>\$ 1,961,867</u>		
	\$ 20,370	\$ -	\$ 256,122	\$ 161,674	\$ 13,509	\$ 451,675		
Cash overdrafts	-	-	77,724	58,122	42,483	178,329		
Total liabilities	<u>20,370</u>	<u>-</u>	<u>333,846</u>	<u>219,796</u>	<u>55,992</u>	<u>630,004</u>		
FUND BALANCES								
Nonspendable	-	-	-	-	-	-		
Restricted	-	-	3	-	43,017	43,020		
Committed	-	-	-	-	-	-		
Assigned	-	-	-	-	20	20		
Unassigned	1,291,572	-	-	-	(2,749)	1,288,823		
Total fund balances	<u>1,291,572</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>40,288</u>	<u>1,331,863</u>		
Total liabilities and fund balances	<u>\$ 1,311,942</u>	<u>\$ -</u>	<u>\$ 333,849</u>	<u>\$ 219,796</u>	<u>\$ 96,280</u>	<u>\$ 1,961,867</u>		

The accompanying notes to financial statements are an integral part of this financial statement

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2014**

\$ 1,331,863

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the balance sheet of governmental activities:

Capital assets not being depreciated	594,383
Capital assets, net of depreciation	1,117,226

\$ 3,043,472

The accompanying notes to financial statements are an integral part of this financial statement

CITY OF TRINIDAD
Statement of Revenue, Expenditures, and Change in Fund Balances
Governmental Funds
Year Ended June 30, 2014

REVENUE	General Fund	Azalea & Pacific St. Project	ASBS Stormwater Project	Luffenholtz Creek Sediment	Other Governmental Funds	Total Governmental Funds
Intergovernmental	\$ 62,124	\$ 299,367	\$ 604,028	\$ 1,173,189	\$ 303,038	\$ 2,441,746
Property tax	93,709	-	-	-	-	93,709
Sales tax	201,827	-	-	-	-	201,827
Transient occupancy tax	130,700	-	-	-	-	130,700
Licenses, planning and permits	24,908	-	-	-	-	24,908
Use of property	44,747	-	-	-	1,011	45,758
Investment earnings	5,611	-	-	-	-	5,611
Other revenue	10,583	-	-	-	3,614	14,197
Totals	574,209	299,367	604,028	1,173,189	307,663	2,958,456
EXPENDITURES						
General government	263,019	-	-	-	23,017	286,036
Public safety-police	100,748	-	-	-	100,000	200,748
Public safety-fire	6,307	-	-	-	-	6,307
Public works	124,993	-	-	-	8,071	133,064
Capital improvement projects	-	299,367	604,025	1,173,189	178,691	2,255,272
Totals	495,067	299,367	604,025	1,173,189	309,779	2,881,427
Excess Revenue over Expenditures	79,142	-	3	-	(2,116)	77,029
Other Financing Sources (Uses)						
Transfers in	47,729	-	-	-	-	47,729
Transfers (out)	(10,000)	-	-	-	(37,729)	(47,729)
Totals	37,729	-	-	-	(37,729)	-
Change in Fund Balances	116,871	-	3	-	(39,845)	77,029
Fund Balances - beginning	1,145,018	-	7,803	(2,139)	86,395	1,237,077
Prior period adjustment (capital assets)	29,683	-	(7,803)	2,139	(6,262)	17,757
Fund Balances - as restated	1,174,701	-	-	-	80,133	1,254,834
Fund Balances - end of year	\$ 1,291,572	\$ -	\$ 3	\$ -	\$ 40,288	\$ 1,331,863

The accompanying notes to financial statements are an integral part of this financial statement

**Reconciliation of the Statement of Revenue, Expenditures, and Change
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2014**

Change in Net Position - Governmental Activities (page 5)

5

CITY OF TRINIDAD
Proprietary Funds
Statement of Net Position
June 30, 2014

	Business-type Activities		
	Water Fund	Cemetery Fund	Total Enterprise Funds
ASSETS			
Current Assets:			
Cash and investments	\$ 690,390	\$ 151,070	\$ 841,460
Receivables	316,927	-	316,927
Total current assets	1,007,317	151,070	1,158,387
Noncurrent Assets:			
Capital assets not being depreciated	815,000	-	815,000
Capital assets, net of depreciation	263,942	4,413	268,355
Total assets	2,086,259	155,483	2,241,742
LIABILITIES			
Current Liabilities:			
Payables	232,338	1,461	233,799
Customer deposits	2,980	-	2,980
Total current liabilities	235,318	1,461	236,779
Total liabilities	235,318	1,461	236,779
NET POSITION			
Invested in capital assets, net of related debt	1,078,942	4,413	1,083,355
Unrestricted	771,999	149,609	921,608
Total net position	\$ 1,850,941	\$ 154,022	\$ 2,004,963

The accompanying notes to financial statements are an integral part of this financial statement

CITY OF TRINIDAD

Proprietary Funds

Statement of Revenue, Expenses, and Change in Net Position

Year Ended June 30, 2014

	Business-type Activities		
	Water Fund	Cemetery Fund	Total Enterprise Funds
OPERATING REVENUE			
Water sales	\$ 285,209	\$ -	\$ 285,209
Water connection fees	-	-	-
Burial plot sales	-	12,620	12,620
Late charges	1,692	-	1,692
Totals	<u>286,901</u>	<u>12,620</u>	<u>299,521</u>
OPERATING EXPENSES			
Personnel services	141,272	8,701	149,973
Maintenance and operations	65,336	3,916	69,252
Depreciation	21,997	228	22,225
Totals	<u>228,605</u>	<u>12,845</u>	<u>241,450</u>
OPERATING INCOME (LOSS)	<u>58,296</u>	<u>(225)</u>	<u>58,071</u>
NONOPERATING REVENUE (EXPENSES)			
Intergovernmental grants	819,617	-	819,617
Investment earnings	1,653	345	1,998
Other revenue (expense)	5,322	-	5,322
Interest expense	(266)	-	(266)
Totals	<u>826,326</u>	<u>345</u>	<u>826,671</u>
Income Before Transfers	884,622	120	884,742
Transfers in	15,000	-	15,000
Transfers (out)	(15,000)	-	(15,000)
CHANGE IN NET POSITION			
Net Position - beginning	884,622	120	884,742
Net Position - end of year	<u>966,319</u>	<u>153,902</u>	<u>1,120,221</u>
	<u>\$ 1,850,941</u>	<u>\$ 154,022</u>	<u>\$ 2,004,963</u>

The accompanying notes to financial statements are an integral part of this financial statement

CITY OF TRINIDAD
Proprietary Funds
Statement of Cash Flows
Year Ended June 30, 2014

CASH FLOWS PROVIDED BY (USED FOR)

	Business-type Activities			Total
	Water	Cemetery	Enterprise Funds	
Operating Activities				
Cash received from customers	\$ 296,306	\$ 12,620	\$ 308,926	
Cash paid for employee compensation	(141,272)	(8,701)	(149,973)	
Cash paid for operations and maintenance	(52,238)	(2,708)	(54,946)	
Net cash provided (used)	102,796	1,211	104,007	
Noncapital Financing Activities				
Grants received	541,798	-	541,798	
Grant funded capital expenditures	(594,619)	-	(594,619)	
Net Cash Provided (Used)	(52,821)	-	(52,821)	
Capital & Financing Activities				
Principal paid on debt obligations	(10,760)	-	(10,760)	
Interest paid on debt obligations	(266)	-	(266)	
Net cash provided (used)	(11,026)	-	(11,026)	
Investing Activities				
Investment & other earnings	909	345	1,254	
Net Increase (Decrease) in Cash				
Cash - beginning	39,858	1,556	41,414	
Cash - end of year	650,532	149,514	800,046	
	\$ 690,390	\$ 151,070	\$ 841,460	
Operating Activities Analysis				
Operating Income (Loss) (page 11)	\$ 58,296	\$ (225)	\$ 58,071	
Reconciliation adjustments:				
Add depreciation, a noncash expense	21,997	228	22,225	
(Increase) decrease in receivables	(10,293)	-	(10,293)	
(Increase) decrease in prepaid expenses	10,508	194	10,702	
Increase (decrease) in payables	22,288	1,014	23,302	
Net cash provided (used)	\$ 102,796	\$ 1,211	\$ 104,007	

The accompanying notes to financial statements are an integral part of this financial statement

CITY OF TRINIDAD
Notes to the Financial Statements
June 30, 2014

The notes to the financial statements include a summary of significant accounting policies and other notes considered essential to fully disclose and fairly present the transactions and financial position of the City as follows:

- Note 1 - Summary of Significant Accounting Policies
- Note 2 - Stewardship, Compliance, and Accountability
- Note 3 - Cash and Investments
- Note 4 - Receivables
- Note 5 - Capital Assets
- Note 6 - Defined Contribution Retirement Plan
- Note 7 - Payables
- Note 8 - Interfund Transactions
- Note 9 - Long-term Obligations
- Note 10 - Risk Management
- Note 11 - Commitments and Contingencies
- Note 12 - New Pronouncements
- Note 13 - Subsequent Events

CITY OF TRINIDAD
Notes to the Financial Statements
June 30, 2014

Note 1 - Summary of Significant Accounting Policies

Defining the Reporting Entity

The City of Trinidad was incorporated on November 7, 1870 under the laws of the State of California. The City operates under a Council-Manager form of government that provides the following services: public safety (police, fire and animal control), recreation and culture, public improvements, planning and zoning, general and administrative services, cemetery and water utilities.

The City participates in a joint powers agency through a formally organized and separate entity agreement. The financial activities of the Public Agency Risk Sharing Authority of California (PARSAC), a public entity risk pool, are not included in the accompanying financial statements because they are administered by a governing board which is separate from and independent of the City.

The Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the City's overall financial position and results of operations.
- Governmental-wide Financial Statements prepared using full accrual accounting for all of the City's activities, including infrastructure.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including the notes to financial statements). The City has elected to implement the general provisions of GASB 34 to prospectively report infrastructure assets.

The City of Trinidad, for financial purposes, includes all of the funds relevant to the operations of the City. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP and used by the City are described below:

Basic Financial Statements – Government-wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's police and fire protection, public works, special revenue projects, and general administrative services are classified as governmental activities. The City's water and cemetery services are classified as business-type activities.

In the Government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column; and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City utilizes restricted resources to finance qualifying activities.

The Government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities. The functions are also supported by general government revenue

CITY OF TRINIDAD
Notes to the Financial Statements
June 30, 2014

(property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, operating and capital grants. Program revenue must be directly associated with the function (public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that encompass its assets, liabilities, fund equity, revenue and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Fund Types and Major Funds:

Governmental Funds

- *General Fund* – this fund is the primary operating fund of the City which is used to account for all financial resources not reported in other funds.
- *Special Revenue Funds* – these funds are used to account for the proceeds of specific revenue resources (other than major capital projects) that are legally restricted to expenditures for specific purposes.
- *Capital Projects Funds* – these funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or projects.

Proprietary Funds

The City reports the following proprietary funds:

- *Water Utilities Fund* – accounts for the operating activities of the City's water utility service.
- *Cemetery Fund* – accounts for the operating activities of the City's cemetery.

Major Funds

GASB Statement No. 34 defines major funds and requires that the City's major governmental funds are identified and presented separately in the fund financial statements. All other governmental funds, called nonmajor or other funds, are combined and reported in a single column, regardless of their fund-type. Major funds are defined as funds that have assets, liabilities, revenue, or expenditures/expenses equal to or greater than ten percent of their fund-type total, and can change annually. The general fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reports the following major governmental funds:

- *General Fund* - this is the primarily operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- *Azalea & Pacific Street Project* - this fund is used to account for several grants from government agencies. Revenue is restricted for a pre-approved street construction project.

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Notes to the Financial Statements
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- *ASBS Stormwater Project* - this fund is used to account for proceeds received from a State grant. Revenue is restricted for monitoring, management and reconstruction of rain water run-off systems into biological significant areas.
- *Luffenholtz Creek Sediment Reduction Program* - this fund is used to account for proceeds received from a State grant. Revenue is restricted for sediment identification and reduction solutions.

Basis of Accounting

Basis of accounting refers to the point at which revenue or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Under the accrual method of accounting, both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred.

Under the modified accrual method of accounting, the governmental funds financial statements are presented on the modified accrual basis of accounting. Revenue is recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Cash, Investments and Cash Equivalents

Cash and Cash Equivalents - for purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, which are shown on the statement of cash flows as "cash and investments."

Cash and Investments - the City follows the requirements of GASB Stmt No. 40 in reporting cash and investments at fair value and disclosing risks related to credit risk, concentration of credit risk, and interest rate risk.

Interfund Activity

Interfund activity is reported as loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost and then charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Capital Assets

Capital assets used in governmental fund type operations are accounted for on the statement of net position. Public domain general capital assets (infrastructure) consisting of certain improvements other than buildings, such as roads, sidewalks and bridges are capitalized prospectively starting July 1, 2003 in accordance with GASB Stmt No. 34. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Capital outlay is recorded as expenditures of the general and special revenue funds,

CITY OF TRINIDAD
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and, as capital assets in the government-wide financial statements to the extent the City's capitalization threshold is met. Donated assets are recorded at estimated fair value at the date of donation.

Property, plant and equipment acquired for proprietary funds are capitalized in the respective fund to which it applies and are stated at their cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the capital assets which range from 3 to 20 years for equipment and vehicles, and 20 to 50 years for infrastructure, buildings and improvements. Land, art and treasures are not considered exhaustible, therefore are not being depreciated. In the government-wide statement of activities, no depreciation expense was recorded in governmental activities for capital assets acquired before 1995 because of the inadequacy of historic accounting records. The City has started the process to determine historic costs of such assets.

Compensated Absences:

In compliance with GASB Stmt No.16, the City has established a liability for accrued vacation, except that additional accruals for salary-related expenses associated with the costs of compensated absences, for example, the employer's share of social security and medicare taxes, have not been accrued as that amount is not considered significant or material to the financial statements taken as a whole. All vacation pay is accrued when incurred in the government-wide and proprietary funds financial statements. This liability is established for current employees at their current rates of pay. If accrued vacation is not used by the employee during their term of employment, compensation is payable to the employee at the time of separation, and at the employee's prevailing rate of pay. Each fiscal year, an adjustment to the liability is made based on pay rate changes and adjustments for the estimated current portion due within one year. Due to the immaterial amount of compensated absences, the City has elected to report compensated absences as accrued expenses in all funds, which is merged with accounts payable at year end to be reported as Payables in the financial statements.

Estimates

Financial statement presentation in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could vary from those estimates.

Property Tax Revenue

Property taxes in the State of California are administered for all local agencies at the County level and consist of secured, unsecured and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

- *Property Valuations* - are established by the Assessor of Humboldt County for the secured and unsecured property tax rolls; the utility property tax roll is valued by the California State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13, adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increase to full value is allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.
- *Tax Levies* - are limited to 1% of full assessed value which results in a tax rate of \$1.00 per \$100 assessed valuation under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

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- *Tax Levy Dates* - are attached annually on January 1, preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.
- *Tax Collections* - are the responsibility of the County's tax collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments: The first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments. The City has elected to receive the City's portion of the property tax revenue from the County under the State enacted "Teeter Bill" program. Under this program, the City receives 100% of the City's share of the levied property taxes in periodic payments, with the County assuming responsibility for collecting the delinquencies as well as keeping the related late penalties and interest.
- *Tax Levy Apportionments* - due to the nature of the City-wide maximum levy, it is not possible to identify general-purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by each County auditor-controller based primarily on the ratio that each agency represented of the total City-wide levy for the three fiscal years prior to fiscal year 1979.
- *Property Tax Administration Fees* - the State of California fiscal year 1990-91 Budget Act authorized Counties to collect an administrative fee for its collection and distribution of property tax revenue.

Revenue and Expenditures

Substantially all governmental fund revenue is accrued. Property taxes are billed and collected within the same period in which the taxes are levied. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASB Stmt. No. 33. In applying GASB Statement No. 33 to grant revenue, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Grant resources transmitted before eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Operating income in proprietary fund financial statements includes revenue and expenses related to the primary continuing operations of the fund. Principal operating revenue for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenue and expenses are classified as non-operating in the financial statements. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as needed. Expenditures are recognized when the related fund liability is incurred.

Net Position and Fund Balances

The City's net position is classified as follows on the government-wide statement of net position:

- Invested in capital assets, net of related debt - represents the City's total investment in capital

CITY OF TRINIDAD
Notes to the Financial Statements
June 30, 2014

assets reduced by any outstanding debt used to acquire these assets.

- Restricted net position - includes resources that the City is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
- Unrestricted net position - represents resources derived from sources without spending restrictions, are used for transactions relating the general operations of the City, and may be used at the discretion of those charged with governance to meet current expenses or obligations for any purpose.

Fund balance designations are classified on the governmental funds balance sheet as follows:

- Nonspendable - amounts that cannot be spent because they are either (a) legally or contractually required to be maintained intact or (b) not in spendable form such as long-term notes receivable.
- Restricted - amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.
- Committed - amounts that can be used only for the *specific purposes* determined by a formal action of the City Council, to establish, modify or rescind a fund balance commitment.
- Assigned - amounts that are constrained by the government's *intent* to be used for specific purposes but do not meet the criteria to be classified as restricted or committed, as determined by a formal action or policy of the City Council or its appointed official.
- Unassigned - the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Note 2 - Stewardship, Compliance, and Accountability

Revenue Limitations Imposed by California Proposition 218

Proposition 218, which was approved by the voters in November 1996, regulates the City's ability to impose, increase, and extend taxes, assessments, and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may be rescinded in the future years by the voters.

Excess of Appropriations over Expenditures

For the year ended June 30, 2014, several Nonmajor governmental funds on page 30 had expenditures that exceeded appropriations.

Deficit Fund Balances

Due to the City incurring costs in advance of receiving grant awards and other reimbursements, and revenue which it expects to recover in the future from grants and other sources, the following funds incurred deficits in their ending fund balances:

COPS grant fund	\$ 542
Gas tax fund	740
Watershed Coordinator project	1,467
	<u>\$ 2,749</u>

Cash Deficit Balances by Fund

The following governmental activity funds reported year end cash deficit balances:

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ASBS Stormwater project	\$ 77,724
Luffenholtz Creek Sediment Reduction	58,122
COPS program grant	25,915
Gas tax fund	2,210
Watershed Coordinator project	14,358
	<u>\$ 178,329</u>

Note 3 - Cash and Investments

The City follows the practice of pooling cash and investments of all funds except for restricted funds required to be held by outside custodians, fiscal agents or trustees, under the provisions of bond covenants. Cash and investments at fiscal year end are classified in the accompanying financial statements as follows:

Statement of Net Assets	
Cash and investments	\$ 2,089,835
Cash overdrafts	(178,329)
	<u>\$ 1,911,506</u>

Cash and Investments consist of the following:

Deposits with financial institutions	\$ 877,335
Money market mutual funds	89,296
U.S. Government sponsored bonds	76,692
Local Agency Investment Fund	868,183
	<u>\$ 1,911,506</u>

Collateral and Categorization Requirements

At fiscal year end, the City's carrying amount of demand deposits was \$877,335 and the local bank account balances were \$1,178,325. The difference of \$301,090 represented outstanding checks and deposits in transit. Of the total bank deposit balance, \$250,000 was insured by Federal Depository Insurance Corporation (FDIC) and \$928,325 was collateralized in accordance with California Government Code Section 53600. California law requires that the fair value of the pledged securities must equal at least 110% of the City's deposits. California law also allows financial institutions to secure the City's deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total deposits.

Investments in money market funds and the Local Agency Investment Fund (LAIF) are not insured by the FDIC or any government agencies. Investments in government or government sponsored entity (GSE) bonds are not insured but are collateralized by loans on real estate.

Investment Policy

The table below identifies the investment types that are authorized under provisions of the City's investment policy adopted September 12, 2011, and in accordance with Section 53601 of the California Government Code. The table also identifies certain provisions of the investment policy that address interest rate risk, credit risk, and concentration of credit risk.

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<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>	<u>Minimum Rating</u>
Certificates of Deposit	3 years	20%	None	None
U.S. Treasury Securities	None	None	None	None
Local Agency Investment Fund	None	None	None	N/A
State and Local Agency Obligations	None	20%	None	AAA

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any single issuer as described above, and beyond that stipulated by the California government code. Investments at fiscal year end were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Yield</u>	<u>Concentration</u>
Local Agency Investment Fund	\$ 868,183	8.1 months	0.23%	45%
Money Market Mutual Funds	89,296	on demand	0.01%	5%
Demand Deposits (checking)	877,325	on demand	0.02%	46%
Government sponsored entity bonds	76,692	3.5months	2.28%	4%

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy limits credit risk by requiring compliance with the California Government Code for investment of public funds.

The credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California government code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: "The California government code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits." At year end the City had \$928,325 in financial institution deposits that was not covered by the FDIC, but was covered by collateralized securities of the financial institutions where the deposits were maintained.

The credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California government code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial

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credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Participation in an External Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF). LAIF, established in 1977, is regulated by California Government Code Section 16429 and under the day to day administration of the California State Treasurer. There is a five member Local Investment Advisory Board that is chaired by the State Treasurer. LAIF determines fair value of its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available. LAIF is part of the Pooled Money Investment Account (PMIA) and under the control of the State Treasurer's Office, which is audited by the Bureau of State Audits. As of June 30, 2014, PMIA had approximately \$63 billion in investments. Audited financial statements of PMIA may be obtained from the California State Treasurer's web site at www.treasurer.ca.gov.

The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Note 4 - Receivables

Accounts and other receivables as reported in the Statement of Net Position are comprised of the following:

Governmental Activities

Sales taxes	\$ 33,460
COPS grant	42,076
Transient occupancy taxes	34,717
Intergovernmental	20,951
Grant reimbursements	575,180
Other receivables	7,108
	<u>\$ 713,492</u>

Business-type Activities

Water utility customers	\$ 38,220
Grant reimbursements	278,707
	<u>\$ 316,927</u>

Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States of America require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

Note 5 - Capital Assets

Governmental-type capital asset activity for the year was follows:

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June 30, 2014

	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
<u>Nondepreciable Assets</u>				
Land	\$ 18,500	\$ -	\$ (9,000)	\$ 9,500
Construction-in-progress	-	584,883	-	584,883
	<u>18,500</u>	<u>584,883</u>	<u>(9,000)</u>	<u>594,383</u>
<u>Depreciable Assets</u>				
Buildings, Improvements, and Streets	1,341,532	299,367	(371,023)	1,269,876
Equipment	103,924	-	-	103,924
Vehicles	57,775	-	-	57,775
	<u>1,503,231</u>	<u>299,367</u>	<u>(371,023)</u>	<u>1,431,575</u>
<u>Accumulated Depreciation</u>	<u>(315,011)</u>	<u>(29,951)</u>	<u>30,613</u>	<u>(314,349)</u>
Depreciable assets, net	<u>1,188,220</u>	<u>269,416</u>	<u>(340,410)</u>	<u>1,117,226</u>
Total capital assets, net	<u>\$ 1,206,720</u>	<u>\$ 854,299</u>	<u>\$ (349,410)</u>	<u>\$ 1,711,609</u>

Business-type capital asset activity for the year was follows:

	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
<u>Nondepreciable Assets</u>				
Land	\$ 5,089	\$ -	\$ -	\$ 5,089
Construction-in-progress	-	809,911	-	809,911
	<u>5,089</u>	<u>809,911</u>	<u>-</u>	<u>815,000</u>
<u>Depreciable Assets</u>				
Water utility	1,151,749	-	-	1,151,749
Cemetery	7,964	-	-	7,964
	<u>1,159,713</u>	<u>-</u>	<u>-</u>	<u>1,159,713</u>
<u>Accumulated Depreciation</u>				
Water utility	(865,811)	(21,997)	-	(887,808)
Cemetery	(3,324)	(227)	-	(3,551)
Depreciable assets, net	<u>290,578</u>	<u>(22,224)</u>	<u>-</u>	<u>268,354</u>
Total capital assets, net	<u>\$ 295,667</u>	<u>\$ 787,687</u>	<u>\$ -</u>	<u>\$ 1,083,354</u>

Note 6 - Defined Contribution Retirement Plan

The City contributes to an employee owned defined contribution plan administered through Smith Barney/Hartford ITT under established plan provisions, and which may be amended by City council resolution. The City contributes 6% of an employee's annual salary to the plan which provides retirement benefits. The City also provides matching contributions up to 6% of an employee's contributions for all

CITY OF TRINIDAD
Notes to the Financial Statements
June 30, 2014

eligible employees. Plan participants age 50 and older can make catch-up annual contributions up to \$5,000; and in the three years prior to retirement, can make catch-up contributions of up to twice the annual limit. All employee and employer contributions are tax deferred to the employee. The City contributed \$25,802 to the plan for the year.

Note 7 - Payables

Accounts payable and accruals, as reported in the Statement of Net Position are comprised of the following:

	Governmental Activities	Business-type Activities
Contractors, programs & projects - grant funded	\$ 417,796	\$ 215,292
Vendors and supplies	33,879	18,507
	<u>\$ 451,675</u>	<u>\$ 233,799</u>

Note 8 - Interfund Transactions

In general, the City uses interfund transfers for several purposes, as follows:

- To move revenue from the funds that collect them, such as grants funds, public safety funds, to the funds that statute or budget requires to expend them.
- To use revenue collected in the various funds to help finance various programs and capital improvement type projects accounted for in other funds in accordance with budgetary authorization.

Operating transfers for the fiscal year are summarized as follows:

<u>Fund type</u>	Operating transfers	
	In	Out
General administration	\$ 37,729	\$ -
Fire department	-	10,000
Fire dept. reserve fund	10,000	-
State gas tax	-	35,000
Transportation Development Agency	-	2,729
Water operating fund	-	15,000
Water capital reserve fund	15,000	-
	<u>\$ 62,729</u>	<u>\$ 62,729</u>

Note 9 - Long-term Obligations

Revenue Bond Payable

Safe Drinking Water Bond - due to the State of California in semi-annual payments including interest at 4.1% per annum, secured by water fund revenue. Paid in full at June 30, 2014.

CITY OF TRINIDAD
Notes to the Financial Statements
June 30, 2014

Long-term debt activity for the year was comprised of the following:

<u>Business-type Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Safe Drinking Water state bond	\$ 10,760	\$ -	\$ (10,760)	\$ -

Note 10 - Risk Management

The City is exposed to various risks of loss related to torts, thefts, damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City is a member of the Public Agency Risk Sharing Authority of California (PARSAC or the Authority), a public entity risk pool currently operating as a common risk management and insurance program for member cities and townships. The relationship between the City and PARSAC is such that PARSAC is not a component unit of the City for financial reporting purposes. PARSAC is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The City's deposits with the Authority are in accordance with formulas established by the Authority. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Financial statements may be obtained from PARSAC, 1525 Response Road, Suite One, Sacramento, CA 95815.

For workers compensation insurance, the City is insured for the first \$250,000 of claims by PARSAC, and above \$250,000 by the Local Agency Workers Compensation Excess Company. For general liability and automobile liability, the City is self-insured for the first \$1,000 of claims. There is a shared risk layer for losses between \$1,000 to \$1,000,000, and losses in excess of \$1,000,000, up to \$3,000,000, are covered by excess insurance. For property coverage, the City is protected by a commercial general liability insurance policy. The City is self-insured for the first \$5,000 of per occurrence claims with various degrees of risk protection depending upon the type of coverage.

Note 11 - Commitments and Contingencies

In the normal course of City operations there are occasional and various legal claims and actions against the City for which no provision has been made in the financial statements because the amount of liability, if any, is unknown.

The City has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

The City entered into an agreement with the County of Humboldt to provide law enforcement services within the City limits, payable in the amount of \$37,659 per quarter. The agreement period commences July 1, 2014 through June 30, 2017, unless terminated pursuant to mutual agreement.

At June 30, 2014 the City was committed to several grant funded contracts related to drinking water quality, environmental issues and water plant upgrades, and street improvements. The ability of the City to meet its commitments is dependent upon continued intergovernmental appropriated funding.

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Notes to the Financial Statements
June 30, 2014

The City entered into a 99-year lease agreement with the Trinidad Coastal Land Trust, for a building which is occupied by a branch of the Humboldt County library. Annual rent is \$500 per year and adjusted every five years equal to a consumer price index.

Note 12 - New Pronouncements

Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*: The Statement revises existing standards of financial reporting for most pension plans. The Statement establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement – determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they become due. This Statement is effective for periods beginning on or after June 15, 2013.

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*:

The Statement revises existing standards of financial reporting for most governments that provide their employees with pension benefits. The Statement establishes reporting requirements of the net pension plan liability in the government-wide financial statements, how to measure pension liabilities, and presentation of the financial information and disclosures related to the employer. This Statement is effective for periods beginning on or after June 15, 2014.

Note 13 - Subsequent Events

The management of the City has reviewed the results of operations for the period from its fiscal year end June 30, 2014 through December 22, 2014, the date the financial statements were available to be issued in "draft" form, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION
(unaudited)

CITY OF TRINIDAD
Note to Required Supplementary Information on
Budgetary Comparison Information
June 30, 2014

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to the close of each fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed revenue and expenditures.
- Public hearings are conducted at City Council meetings to obtain taxpayer comments prior to adoption of the budget in June.
- Prior to July 1, the budget is legally adopted for all governmental fund types through Council approved resolution.
- The City Manager is authorized to transfer budget amounts within and between funds as deemed desirable and necessary in order to meet the City's needs; however, revisions that alter the total expenditures must be approved by the City Council. Formal budgetary integration is employed as a management control device during the year for the governmental type funds.
- Budgets for the governmental type funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts presented are as originally adopted and as further amended by the City Council.

CITY OF TRINIDAD
Budgetary Comparison Information (unaudited)
General Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Resources (Inflows)				
Property taxes	\$ 82,530	\$ 82,530	\$ 93,709	\$ 11,179
Sales taxes	190,000	190,000	201,827	11,827
Transient occupancy taxes	93,000	93,000	130,700	37,700
Intergovernmental	57,233	57,233	62,124	4,891
Investment earnings	15,500	15,500	5,611	(9,889)
Licenses, planning and permits	22,000	22,000	24,908	2,908
Rent and land leases	48,417	48,417	44,747	(3,670)
Other revenue	1,050	1,050	10,583	9,533
Transfers in	30,000	30,000	47,729	17,729
Amounts Available for Appropriation	539,730	539,730	621,938	82,208
Charges to Appropriation (Outflow)				
General Gov. - City Administration	293,017	293,017	263,019	29,998
Public Safety - Police	107,271	107,271	100,748	6,523
Public Safety - Fire	11,245	11,245	6,307	4,938
Public Works and Parks	127,450	127,450	124,993	2,457
Fire fund reserve	10,000	10,000	10,000	-
Public works reserve	-	-	-	-
Town hall reserve	-	-	-	-
Transfers out	-	-	-	-
Total Charges to Appropriations	548,983	548,983	505,067	43,916
Surplus (Deficit)	<u>\$ (9,253)</u>	<u>\$ (9,253)</u>	<u>\$ 116,871</u>	<u>\$ 126,124</u>

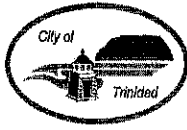
CITY OF TRINIDAD
Fund Balance Designations Section of the Balance Sheet
Governmental Funds
June 30, 2014

Fund Balances	General Fund	Major Fund Azalea & Pacific St. Project	Major Fund ASBS Stormwater Project	Major Fund Luffenholtz Creek Sediment	Total Nonmajor Governmental Funds	Total Fund Balance Designations
Nonspendable:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:						
Onsite Wastewater Treatment	-	-	-	-	1,720	1,720
TDA - streets / sidewalks	-	-	-	-	8,029	8,029
ASBS Stormwater project	-	-	3	-	-	3
Integrated Waste Mgmt	-	-	-	-	33,268	33,268
Total restricted fund balances	-	-	3	-	43,017	43,020
Committed to:						
Self insurance reserve	15,000	-	-	-	-	15,000
Fire dept. capital reserve	50,700	-	-	-	-	50,700
Public works capital reserve	10,000	-	-	-	-	10,000
Town hall capital reserve	2,401	-	-	-	-	2,401
Total committed fund balances	78,101	-	-	-	-	78,101
Assigned:						
Grant Coordinator	-	-	-	-	20	20
Total assigned fd balances	-	-	-	-	20	20
Unassigned:	1,213,471	-	-	-	(2,749)	1,210,722
Total Fund Balances	\$ 1,291,572	\$ -	\$ 3	\$ -	\$ 40,288	\$ 1,331,863

OTHER SUPPLEMENTARY INFORMATION

CITY OF TRINIDAD
Combining Financial Statements
Nonmajor Governmental Funds
Year Ended June 30, 2014

	Integrated Waste Mgmt	COPS Grant	State Gas Tax	Transportation Development Agency	Onsite Wastewater Treatment	ASBS Pier Reconstruction	Gaming Grant	Watershed Coordinator	ECBG Grant	ADA Compliance	Grant Coordinator Holding	TOTAL NONMAJOR FUNDS
ASSETS												
Cash and investments	\$ 28,058	\$ -	\$ -	\$ 8,029	\$ 1,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,084	\$ 40,891
Receivables	8,011	25,373	2,470	-	-	-	-	21,535	-	-	-	55,389
Total assets	<u>\$ 34,069</u>	<u>\$ 25,373</u>	<u>\$ 2,470</u>	<u>\$ 8,029</u>	<u>\$ 1,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,084</u>	<u>\$ 98,280</u>
LIABILITIES												
Payables	\$ 801	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ 8,644	\$ -	\$ -	\$ 3,064	\$ 13,509
Cash overdrafts	-	25,915	2,210	-	-	-	-	14,358	-	-	-	42,483
Total liabilities	801	25,915	3,210	-	-	-	-	23,002	-	-	3,064	55,992
FUND BALANCES												
33,268	(542)	(740)	8,029	1,720	-	-	-	(1,467)	-	-	20	40,288
Total liabilities and fund balances	<u>\$ 34,069</u>	<u>\$ 25,373</u>	<u>\$ 2,470</u>	<u>\$ 8,029</u>	<u>\$ 1,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,084</u>	<u>\$ 98,280</u>
REVENUE												
Intergovernmental	\$ 17,248	\$ 97,622	\$ 17,460	\$ 2,729	\$ 7,000	\$ 36,396	\$ -	\$ 110,883	\$ -	\$ 13,700	\$ -	\$ 303,038
Use of property	1,011	-	-	-	-	-	-	-	-	-	-	1,011
Other revenue	2,100	-	-	18	-	-	-	1,291	-	185	20	3,614
Total revenue	<u>20,359</u>	<u>97,622</u>	<u>17,460</u>	<u>2,747</u>	<u>7,000</u>	<u>36,396</u>	<u>-</u>	<u>112,174</u>	<u>-</u>	<u>13,885</u>	<u>20</u>	<u>307,663</u>
EXPENDITURES												
General government	23,017	-	-	-	-	-	-	-	-	-	-	23,017
Public safety	-	100,000	-	-	-	-	-	-	-	-	-	100,000
Public works	-	-	3,691	4,380	-	-	-	-	-	-	-	8,071
Capital improvements	-	-	-	-	4,230	36,396	10,539	113,641	-	13,885	-	178,891
Total expenditures	<u>23,017</u>	<u>100,000</u>	<u>3,691</u>	<u>4,380</u>	<u>4,230</u>	<u>36,396</u>	<u>10,539</u>	<u>113,641</u>	<u>-</u>	<u>13,885</u>	<u>-</u>	<u>309,779</u>
Transfers in (out)	-	-	(35,000)	(2,729)	-	-	-	-	-	-	-	(37,729)
CHANGE IN FUND BALANCES	(2,658)	(2,378)	(21,231)	(4,362)	2,770	-	(10,539)	(1,467)	-	-	20	(39,845)
Fund balances - beginning	35,926	1,836	20,491	12,391	(1,050)	5,370	10,539	-	892	-	-	86,395
Prior period adjustment	-	-	-	-	-	(5,370)	-	-	(892)	-	-	(6,262)
Fund balances - as restated	35,926	1,836	20,491	12,391	(1,050)	-	10,539	-	-	-	-	80,133
Fund balances - end of year	<u>\$ 33,268</u>	<u>\$ (542)</u>	<u>\$ (740)</u>	<u>\$ 8,029</u>	<u>\$ 1,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,467)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 40,288</u>



DISCUSSION AGENDA 4

SUPPORTING DOCUMENTATION FOLLOWS WITH: 0 PAGES

4. Presentation/Report on Mid-Year Budget Status



DISCUSSION AGENDA 5

SUPPORTING DOCUMENTATION FOLLOWS WITH: 6 PAGES

5. Update/Discussion regarding Vacation Dwelling Unit Ordinance



January 28, 2015

[insert name and address)

Re: City of Trinidad Vacation Dwelling Unit Ordinance

You are receiving this letter as the owner or operator of a Vacation Dwelling Unit (VDU) within the City of Trinidad. The City of Trinidad has adopted an ordinance that regulates VDUs within the City. The ordinance will go into effect when the California Coastal Commission certifies it. That date is not yet set, but the City expects it to occur in or around March 2015. Existing VDUs will have three months from the date of that Coastal Commission meeting to be in full compliance with the new ordinance.

I am reaching out to you now to ensure that you are fully aware of the new requirements created by the ordinance, and to ensure you have time to prepare for the ordinance going into effect and therefore can avoid any disruption to the operation of your business. The full ordinance and the VDU License Application are included with this letter, but I would like to highlight some of the key issues here:

You will need to submit an application to the City for a VDU license for each VDU. This will replace the regular business license you have been utilizing. As part of this application, you must:

- Identify the maximum number of occupants that will be able to stay in your VDU per night;
- Include a floor plan and a site plan to document that you have adequate bedrooms and off street parking to support the number of guests you are lodging;
- Provide documentation that the septic system is functioning properly, in the form of a valid OWTS Operating Permit or a completed OWTS Operating Permit application, including a recent septic inspection report;
- Provide proof of general liability coverage for at least one million dollars;
- Provide local contact numbers, including a 24 hour emergency contact number.

Some of the most significant ordinance requirements include:

- A limit on the number of occupants you may host per night based on bedrooms, square footage, septic system capacity, and parking. It is possible that for some existing VDU's the new ordinance may reduce the number of occupants you are able to host per night;
- A minimum stay of two nights;

- One off street parking space required for every two occupants. There is a process to request an exception to the parking requirements for VDUs that have been operational for more than two years, but no exception is guaranteed.

The City expects this ordinance to take effect this spring, and existing VDUs will have three months from that date to obtain their VDU License and be in full compliance with the ordinance. If this reduces the number of occupants you can host, you may need to revise your current advertising, and adjust existing bookings.

This letter is not intended to cover all aspects of the VDU Ordinance. You are strongly encouraged to read the Ordinance in full and follow up with Gabe or myself with any questions. I can be reached at 677-3876 or citymanager@trinidad.ca.gov. Please don't hesitate to call with any questions or concerns. The City would like to work with you to help make the implementation of this ordinance as easy as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Berman". The signature is fluid and cursive, with the first name "Daniel" and last name "Berman" clearly distinguishable.

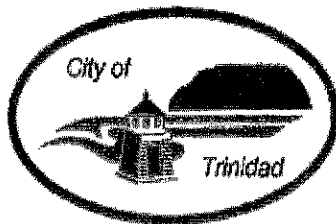
Daniel Berman
City Manager

Enclosures:

Current Draft of the VDU License Application (subject to revision)

Copy of the City of Trinidad Vacation Dwelling Unit Ordinance (Ordinance 2014-01)

City of Trinidad
P.O. Box 390
Trinidad, CA 95570
(707) 677-0223



Dan Berman, City Manager
Gabriel Adams, City Clerk

2015-2016 VACATION DWELLING UNIT LICENSE **APPLICATION**

Background: Under Ordinance 2014-01 of the City of Trinidad, each vacation dwelling unit (VDU) in the City of Trinidad must obtain a VDU License. This license application form, when fully completed and signed below by an authorized City staff person, shall serve as that license. This VDU license will require annual renewal. Please review Ordinance 2014-01 and contact City Staff if you have any questions.

I. Vacation Dwelling Unit Information

VDU Street Address: _____

Local Contact Name and Number: _____

24 Hour Emergency Contact Name and Number: _____
(This number will be shared with neighbors of the VDU)

Number of Bedrooms: _____
(Floor Plan must be included)

Total Interior Square Footage: _____

Number of Off Street Parking Spaces: _____
(Site Plan showing parking locations must be included)

Maximum # of Occupants Allowed: _____
(Generally two occupants per bedroom plus two additional, but can vary based on parking, septic system, and total square footage. See Ordinance or contact City Staff with questions).

II. Business Information

Name of Business: _____

Type of Business: _____

Mailing Address: _____

Owner(s) Name and Address: _____

Business Phone: _____ **Sales Tax ID. No:** _____

Emergency Contact: _____

III. Initial License Fee: \$ 100

Annual Renewal Fee: \$60.00

Initial Fee due with Application. Renewal Fees Due annually by July 31 thereafter.

To ensure proper credit, make check payable to: City of Trinidad, P.O. Box 390, Trinidad, CA 95570

IV. Proof of Insurance and Indemnification

Attach proof of general liability insurance in the amount of at least one million dollars, combined single limit.

Attach an executed copy of the included indemnification agreement that serves to indemnify, defend, and hold harmless the City from any and all claims and liability resulting from or arising out of the licensing of this VDU. *(Agreement is in development, check with City)*

V. Additional Required Information

The following information must be included to accompany this application:

- 1) Site Plan, showing available parking (form attached)
- 2) Floor Plan, showing bedrooms and overall square footage (form attached)
- 3) Copy of the standard rental agreement in use for the VDU
- 4) Proof of Insurance, and Indemnification Form (see IV above)
- 5) Copy of OWTS Permit, or OWTS Permit Application and Septic Inspection Report.

VI. Certification

I hereby certify under penalty of perjury that the information included with this application is true and correct, and that I will operate this Vacation Dwelling Unit in accordance with Ordinance 2014-01 of the City of Trinidad.

Signature: _____ **Date:** _____

Print Name and Title: _____

VII. Email Newsletter:

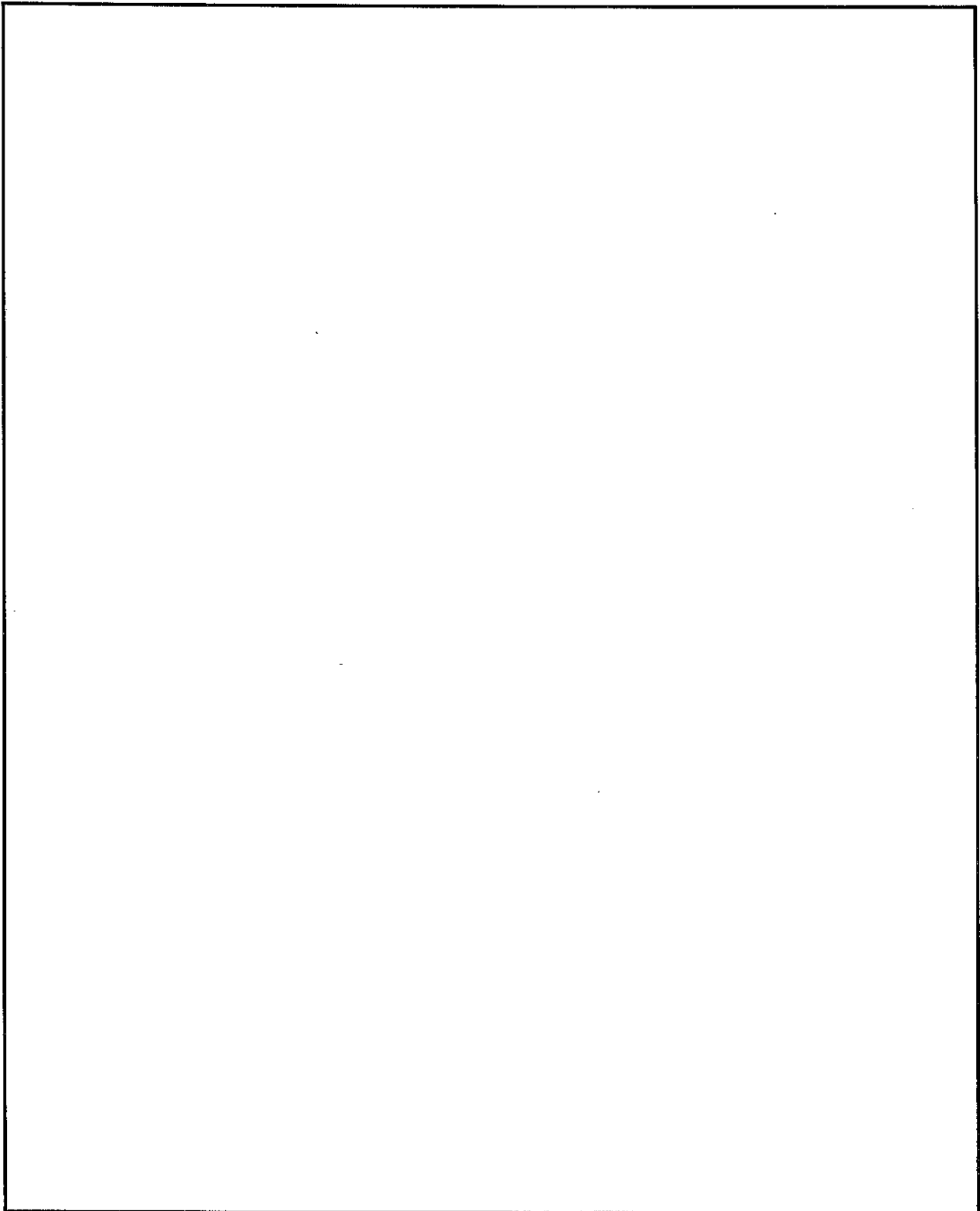
Add me to the City's email list to receive Trinidad news & event information.

Email to: _____

Official Use Only: License No: _____ Issue Date: _____ By: _____

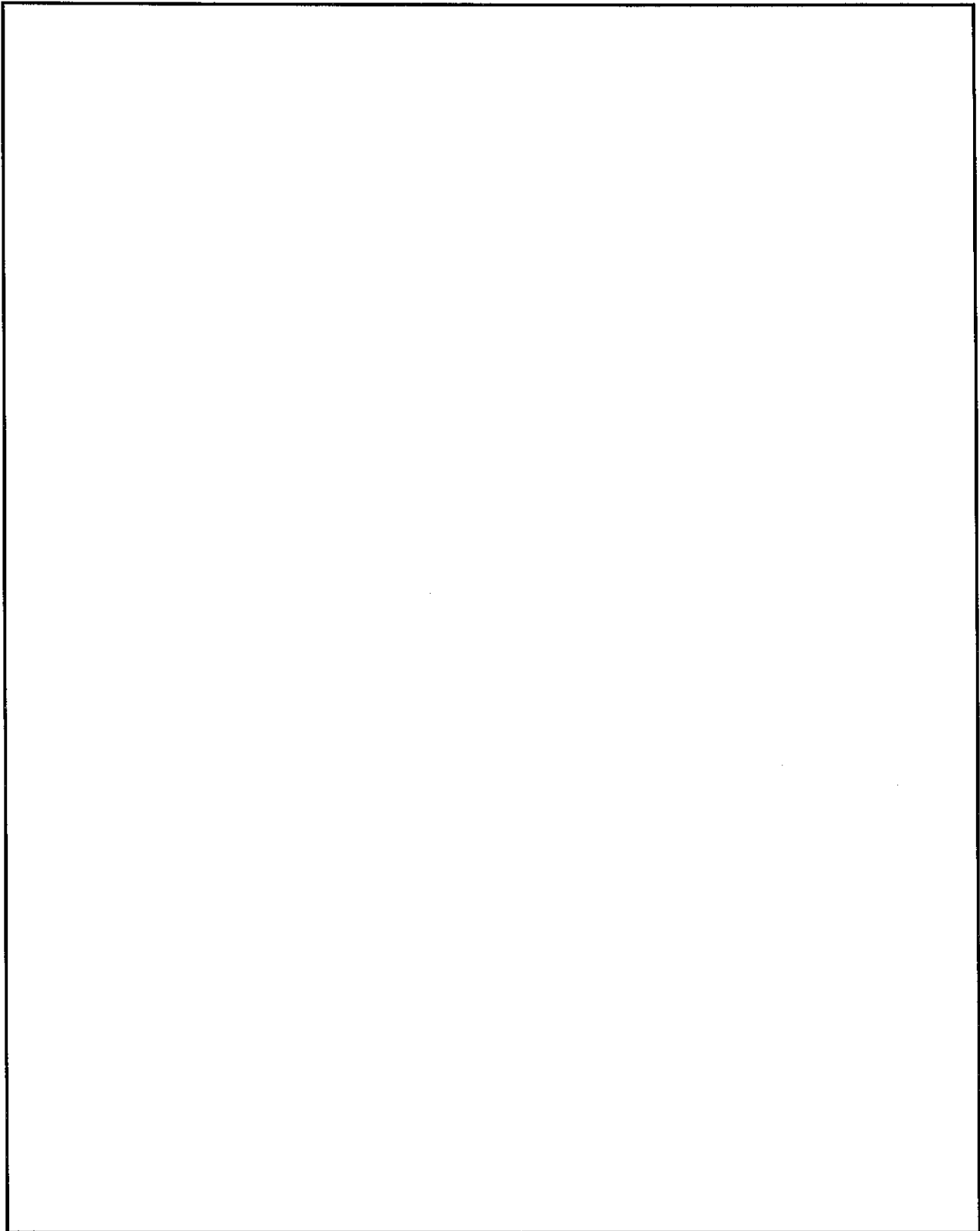
Number of Occupants Allowed: _____ Parking Waiver (Y/N)? _____

SITE PLAN



*Site Plan does not need to be professionally prepared, but must be roughly to scale and show available off street parking for the VDU.

FLOOR PLAN



*Floor Plan does not need to be professionally prepared, but must be roughly to scale and clearly illustrate the number of bedrooms and overall square footage



DISCUSSION AGENDA 6

SUPPORTING DOCUMENTATION FOLLOWS WITH: 3 PAGES

6. Discussion/Decision regarding consideration of sponsorship donation to upcoming Storm Gathering Sea Kayak Symposium Event.

DISCUSSION AGENDA ITEM

Date: February 2nd 2015

Item: Consideration of City Sponsorship of the Storm Gathering Sea Kayak Event

Summary: A three day international sea kayak symposium will occur centered in Trinidad on March 6-8th. The organizers are requesting that the City consider being a sponsor of the event, for which we would have our City logo on the event promotional materials (t-shirt, website, posters).

The event will use the Town Hall facilities over three days, with a total cost of approximately \$700. They have requested the City consider a partial or total waiver of those fees.

Staff requested input from our auditor, as the City is prohibited from making a 'gift of public funds' to anyone. His response was that event sponsorship is clearly allowed for promotional purposes; the question he posed is whether the City truly needs/benefits from the promotional value we would receive. He also said rather than waiving fees, if the City wants to be a sponsor, we should charge our regular Town Hall fees, and cut a separate sponsorship check to keep clearer financial records of the decision.

Staff feels that sea kayaking is a real niche tourism market, and Trinidad is an incredible setting for it, so helping spread our City name in that community could be valuable. However there is a slippery slope argument where we are opening the door to sponsoring commercial events.

Staff is neutral on this proposition, but wanted to bring it to the council for consideration. A recent communication from the event organizers is included for context, and they will be invited to attend the meeting.

City of Trinidad

From: Daniel Berman [citymanager@trinidad.ca.gov]
Sent: Friday, January 30, 2015 10:58 AM
To: cityclerk@trinidad.ca.gov
Subject: [Fwd: Re: Storm Gathering USA]

use their email below as the attachment

----- Original Message -----
Subject: Re: Storm Gathering USA
From: "Greenland or Bust.Org" <info@greenlandorbust.org>
Date: Fri, January 30, 2015 9:41 am
To: "Julie Fulkerson" <juliefulkerson@mac.com>
Cc: "Berman Dan" <citymanager@trinidad.ca.gov>

Hi Julie,

Happy Friday!

Thought I'd check in to see if you had a chance to talk to Dan.

Please let us know if you have any questions or need any more information from us.

Thanks!

Helen and Mark

On Jan 18, 2015, at 2:17 PM, Julie Fulkerson wrote:

> This is sounding better and better. I am so excited and happy that you will be in and around Trinidad. Dan and I will talk tomorrow to see what commitments we can make. Will be back to you very soon!

>
> Julie Fulkerson

>
>
>> On Jan 18, 2015, at 8:59 AM, Greenland or Bust.Org
<info@greenlandorbust.org> wrote:

>>
>> Hi Dan and Julie,

>>
>> We hope that you're doing well and having a great weekend!

>>
>> Things are moving along very quickly with our event, Storm Gathering USA, so we thought we'd check in.

>>
>> Sign ups are going well, and the event is currently 40 percent full, with registration continuing through the end of February. So far, all but two participants are coming from outside of Humboldt County, and several are bringing non-kayaking family members who will be exploring the area while the event is taking place. The event's staff is both local and from out of the area.

>>
>> The event's keynote speaker is Justine Curgenven from Wales. Justine is

a very well known sea kayaker and award winning adventure film maker. Here's a description of her presentation, which we're expecting will attract quite a few people:

>>
>> The Aleutian islands stretch like a broken bridge from Russia to Alaska, renowned for strong winds, dangerous tidal rips and sheer remoteness. In 2014, two women took on one of the last great sea kayaking journeys, attempting a world first 2,500 km paddle along the Aleutian island chain and Alaskan peninsula. Experienced expedition

paddler Justine Curgenven described it as her most challenging journey, made more so because she was with an inexperienced paddler who had only just learnt to roll. In a nail biting adventure, Sarah Outen and Justine are taken away from land by unknown currents, approached by bears, grounded by headwinds, scared by sea lions in the night and given an insight into the lives of the few people who live in this harsh and beautiful landscape. The film of this incredible 101 day adventure has only just been released. Justine will show extracts from the film and tell behind-the-scene stories.

>>

>> We are still hoping that the City of Trinidad would like to be

>> involved

with the event as a sponsor, providing a fee waiver for the Town Hall and kitchen. Please let us know your thoughts on this. We'll be printing event t-shirts soon, and want to make sure that all of our sponsors are recognized :-). Sponsors can also have a booth at the event.

>>

>> Thank you for your consideration. Please let us know if you have any questions, and we look forward to hearing back from you.

>>

>> Helen and Mark Tozer

>> www.greenlandorbust.org

>> www.stormgatheringusa.wordpress.com

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>>

>>

>

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Daniel Berman

City Manager for Trinidad, CA

707 677 3876

707 498 4937